

# Food Stamp Handbook

## Release 4/9/2004-B

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## Introduction

### **What it's designed to do**

The FS Handbook helps you determine eligibility and allotments for the Food Stamp program.

Follow the handbook's instructions step by step; your results should be correct. With an understanding of FS policy and procedure, you can process most applications, reviews, and changes rapidly. Only with complex cases is it helpful or necessary to follow all of the appropriate steps in the handbook.

### **Training Economic Support Specialists (ESS)**

The handbook is useful for training Economic Support Specialists (ESS) because of its structured approach to the FS program's content.

### **CARES**

DWD uses the handbook as the basis for FS policy in CARES.

### **What It Doesn't Do**

The handbook's units are not designed to be read straight through. When you process a case you will be told to skip particular steps and some entire units.

Administrative requirements outside of eligibility and allotment decisions, such as fair hearings and accounting, are in other manuals.

### **Organization**

The handbook covers 2 topics: (1) nonfinancial, and (2) financial eligibility. Both topics are covered in the handbook's units and appendix.

### **Overview**

The overview explains all the steps in the nonfinancial and financial units. It gives you the "big picture" of eligibility determination.

### **Nonfinancial**

First you need to know who is nonfinancially eligible, and thus, in the FS group. The nonfinancial units help you decide who is in the FS group. Consider finances once you decide who's in the FS Group.

### **Financial**

In the financial units you calculate the FS group's assets and income. This determines if the FS group is financially eligible, and the amount of the allotment.

### **Units**

The nonfinancial and financial topics are divided into units with labeled tabs.

Units consist mostly of steps that require a "yes" or "no" answer or a dollar amount. Some units have a Preface and Instructions before the flow of steps. The preface tells you what the unit does. The instructions tell you who to process in that unit. Appropriate worksheets are also identified.

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Each unit page has 3 columns:

1. The center column contains the "flow" of steps. When a step has 2 conditions joined by:

a. The word "and," both conditions must be met to answer "yes."

b. The word "or," only one condition must be met to answer "yes." When neither condition is met, answer "no."

Words needing further explanation or instructions are in boldface. ("If yes" and "If no" and conjunctions are underlined only for emphasis.

2. The left-hand column contains the references to the Appendix and other documents for boldfaced words in the center column.

3. The right-hand column contains CARES screen references.

### **Appendix**

A decimal numbering system refers you from the units to the appendix, and with the addition of captions, organizes the appendix.

### **Examples:** Decimal Numbering System

12.00.00 = 1st Level=Appendix =INCOME

12.03.00 = 2nd Level=Section =Earned Income

12.03.01 = 3rd Level=Subsection = Monthly Earned Income

12.03.01.02 = 4th Level=Paragraph =Changes to Earned Income

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Use the appendix to support the nonfinancial and financial decisions in a case. You also can use the appendix alone as a policy text.

### **Worksheets**

There are 2 major worksheets used to determine eligibility. The FS Nonfinancial Worksheet tests eligibility.

The FS Worksheet tests financial eligibility and calculates allotment. Use it to set review dates and recover overissuances.

Other worksheets help determine fuel expenses, student eligibility, self employment income and so on. All worksheets are located in Appendix 20.0.0

### **Abbreviations**

Abbreviations are major space savers (compare FS to Food Stamps). The abbreviations used in the handbook are listed at the back of the handbook.

### **When Someone is Ineligible**

Someone found ineligible may be eligible if s/he applies on a separate application. This can happen when the person doesn't belong to the same food unit as the primary person. Therefore, it's important to remember that a finding of "not eligible" may sometimes mean "not eligible in this application."

**NOTE!** If someone refuses to provide information needed to determine eligibility, deny the application for FS.(IMM I).

Go to the [Introduction Unit Overview](#).

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## Unit Overview

### **Eligibility Overview**

This section is a summary of all the steps in the units. It gives you the "big picture" of determining eligibility. The headings below follow the same order as the unit tabs.

#### **Nonfinancial**

First a person comes in and applies for FS. You need to find out if s/he is a resident of your county. Also, you will ask if s/he is a boarder, foster person, or resident of an institution. Some groups of people are not eligible for FS because their food needs are already met.

#### **Food Unit**

Next you determine the food unit. The food unit is everyone who purchases and prepares food with the person, and family members. There are some exceptions to who you must include in the food unit based on relationship rules.

#### **Individual**

Now you are ready to look at the individual food unit members. Everyone must be a US citizen or qualified alien and you need a SSN for each person. A food unit member can't belong to more than one food unit with a few exceptions.

#### **Work Programs**

Next you test work program participation. Almost everyone 18-60 must register for and participate in work programs. Some exceptions are full-time students, and parents caring for young children.

#### **FS Group**

Now you form the FS group. The group includes everyone who is in the FS allotment. There are 3 types of FS groups: categorically eligible, mixed categorically eligible, and standard.

- Categorically eligible groups are made up of all SSI recipients or groups that contain at least one listed TANF funded recipients, including W-2. See appendix 1.03.01 for the list of TANF funds that confer categorical eligibility.
- Mixed categorically eligible FS groups include at least one person receiving SSI and at least one who is not receiving SSI or a listed TANF fund. See appendix 1.03.02 for more information on this.
- A standard FS group is a group with no listed TANF funded recipients or SSI recipients. See appendix 1.03.01 for the list of TANF funds that confer categorical eligibility.

The group type determines whose income and assets you count in the Financial Section.

#### **Financial**

It's time to look at the FS group's income and assets. If a group has too many assets or too much income, it is ineligible.

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### **Introduction**

This unit is a traffic director. You send categorically eligible groups to the income unit since you don't count their assets. Standard or Mixed Categorically Eligible groups go to the assets units.

### **Assets**

Add all the FS group's countable assets. Some examples are cash, checking, and savings. Don't include assets of SSI, and W-2 payment recipients.

### **Asset Test**

Take the total assets you got from the assets unit and compare it to the asset limit. You also look to see if any members divested something to become eligible. If the group passes the asset test, it goes to the unearned income unit.

### **Unearned Income**

Add the FS group's unearned income and any unearned income that is deemed from an ineligible member. Types of unearned income include: child support, unemployment compensation, Social Security, Interim Assistance, or W-2 payments.

### **Earned & Training Income**

Add all the FS group's earned income and any income deemed from ineligible members. Types of earned income include: wages, tips, and self-employment income.

### **Room & Board Income**

Calculate income the FS group receives from a boarder.

### **Income Computation**

Take the income you determined from the previous units and see if the group passes the gross income test. FS groups containing an elderly or disabled person don't have to pass the gross income test. Categorically eligible FS groups also are not tested against gross income limits. If the group's income is greater than the gross income limit, the group is ineligible.

If the group's income is equal to or under the limit, you deduct medical expenses for elderly and disabled members. Then you give the FS groups a standard deduction, and an earned income deduction if they had earned income.

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### **Dependent Care**

If the FS group pays for child care or care for an adult food unit member, s/he may get a deduction for each dependent. The care must be necessary for the FS group member to work or go to school.

### **Shelter & Utilities**

FS groups who pay shelter and utility costs may get shelter and utility deductions. The FS group receives a Standard Utility Allowance based on the type(s) of utilities for which they are billed. FS Groups are no longer able to claim actual expenses incurred. They only get the shelter deduction if their shelter expense exceeds half their income after all other deductions.

### **Income Test**

Most FS groups must pass the net income test based on net income limits and group size. Categorically eligible FS groups don't have to pass this test.

After computing monthly net income, you test the group against the net income limit. If the group's income exceeds the limit, it is ineligible. If the income equals or is less than the limit, the group might be eligible. Use the FS Worksheet for these computations.

### **Allotment**

Eligible FS groups now must have their allotments figured. An allotment is the amount of FS an eligible group gets. You figure the allotment by looking at FS group size and total net income. Instructions on prorating the allotment are given if the FS group applies after the first of the month.

### **Review Date**

You must review a FS group's eligibility within certain time frames. Effective February 28, 2004, most FS food units will be certified for 12 months. Food units that include a migrant or seasonal farm worker, and food units who are homeless at the time of application or recertification will continue to be certified for 6 months. These food units are subject to reduced change reporting policy.

Food units that include only elderly, blind or disabled individuals (EBD) with no reported earnings will continue to be certified for 12 months with no change in their change reporting requirements.

Go to the [Initial Unit Preface](#).

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Preface

This unit does the following:

- Questions 01 through 03: These questions decide if a **household** (01.01.00) meets enough eligibility requirements for you to begin a determination in this handbook.

The **primary person** (01.01.01) is tested against most of these requirements. The requirements affect the whole household in this determination. The primary person is the person around whom the assistance group (AG) is formed. There may be more than 1 primary person in a household, but there is only 1 primary person in any determination.

- Questions 05 through 12: These determine if the primary person is ineligible under certain living conditions.

**Appendix References:** 11.05.00 Divestment, 11.05.04 Transfers

Go to the [Initial Unit Instructions](#).

Instructions

Test the whole household collectively in this unit.

Go to the [Initial Unit Worksheet](#).

Worksheet

Fill in the identifying information at the top of the FS Nonfinancial Worksheet.

- Draw a picture of the household composition in the Household Structure section of the worksheet.
- Use the Initial Unit section of the worksheet.
- Circle "Pass" in the first column for any household that passes the requirements in this unit.
- Circle "Fail" in the same column if the household is ineligible in this unit.

Go to [Question 01 of the Initial Unit](#).

Question 01

Is this a **case transfer** from another Wisconsin economic support agency (ESA)?

If yes, consult the [Cares Guide](#) for instructions on when your county must begin processing this request. Go to 02.

If no, go to 02.

**Appendix References:** [17.0.0 ALLOTMENT](#), CARES Guide Ch II, Part 2., 21.07.00 County Transfers

Question 02

Does the primary person **reside** in your county?

If yes, go to 03.

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If no, no one in this household is eligible in this determination.

**Appendix References:** 9.01.00 Application Site, 9.03.02 Huber Law Prisoners

Question 03

Has the primary person failed to complete the application or review **interview**?

If yes, no one in the household is eligible in this determination.

If no, go to 04.

Question 04

Has the agency lost contact with the primary person?

If yes, no one in this household is eligible in this determination.

If no, go to 05.

Question 05

Does the primary person reside in a **group living arrangement**?

If yes, go to 06.

If no, go to 07.

**Appendix References:** 2.3.0 Group Living Arrangement, 9.3.2 Huber Law Prisoners

Question 06

Is the primary person both:

- a. **Blind or disabled** and
- b. Receiving **Social Security** benefits or **SSI** based on his/her disability?

If yes, go to 10.

If no, go to 07.

**Appendix References:** 1.6.1 Definitions

Question 07

Does the primary person pay for **board** or does anyone pay for board on his/her behalf?

If yes, do the following:

- a. Total the number of prepared meals all members of the primary person's boarder group receive per day.
- b. Divide "a." by the number of people in the boarder group. This is the average meals. Go to 08.

If no, go to 10.

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**Appendix References:** 1.4.0 Boarder

Question 08

Does the primary person's **boarder group** receive more than 2 average meals a day?

If yes, do the following:

Look up the **FS allotment** for this boarder group size. This is their board test amount. Go to 09.

If no, do the following:

- a. Look up the food stamp allotment for this boarder group size.
- b. Multiply this allotment by 2/3. This is their board test amount.

Go to 09.

**Appendix References:** 1.4.4 Reasonable Compensation, 18.6.0

Question 09

Is the payment for board equal to or greater than the board test amount?

If yes, no one in this household is eligible in this determination.

If no, go to 10.

Question 10

Does the primary person reside in an **institution**?

If yes, go to 11.

If no, go to 12.

**Appendix References:** 2.1.0 Institution

Question 11

Is the primary person residing in the institution only temporarily?

If yes, go to 12.

If no, no one in this household is eligible in this determination.

Question 12

Is the primary person a **foster person**?

If yes, no one in this household is eligible in this determination.

If no, go to the [Food Unit Preface](#).

**Appendix References:** 01.05.00 Foster Care Recipients

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## Preface

This unit decides who is in the primary person's food unit. The primary person is the person on line 1 of the CAF and is designated on CARES screen ACPA.

- Don't assume a person is in or out of the food unit (01.02.00) until you are specifically told the person's status.

Remember this when a question(s) asks about a particular household member. This unit will give you a food unit decision for every household member. Once you have that decision for each person, don't change it in this determination.

- You need to know what a family group is to correctly form the primary person's food unit. The primary person's family group (01.01.02) is described in step 01.
- Questions 01 through 25:
  1. Put the primary person and family into this food unit.
  2. Add household members to the food unit who must be in the food unit because of their relationships to household members already in the food unit. See the relationship rules (01.02.02).

When you add someone to the food unit, (01.02.00) recheck all household (01.01.00) members who are still out of the food unit. Relationship rules may now pull them into the food unit.

- Questions 26-56 apply other food unit rules to these household members:
  - a. Boarder groups (01.04.00),
  - b. Foster persons, (01.05.00) and
  - c. Persons who purchase and prepare (01.02.00) food with the food unit, including persons who're 60 or older and unable to purchase and prepare, (01.07.00) and attendant/housekeepers (01.08.00). The questions put them into or out of the food unit.

Go to the [Food Unit Instructions](#).

**Appendix References:** 01.01.00 Household, 01.01.02 Family Group, 01.02.00 Food Unit, 01.02.02 Relationship, 01.04.00 Boarder, 01.05.00 Foster Care Recipients, 01.07.00 Unable to Purchase & Prepare, 01.08.00 Attendant/ Housekeeper

## Instructions

Test all household members in this unit. See below for special instructions on processing

Go to the [Nonfinancial Worksheet](#).

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Nonfinancial Worksheet

Use the Food Unit section of the Nonfinancial Worksheet (20.01.00).

- Circle "In" in the column of each household member who is in the food unit.
- Circle "Out" in the column of each house-hold member who is not in the food unit.

Go to the [Food Unit Question 01](#).

Question 01

Put the following in the food unit. This is the food unit's family group.

- a. Primary person.
- b. Primary person's spouse or nonmarital coparent (NMCP).
- c. Minor children over whom adult food unit members in a & b are exercising parental control.

Go to 02.

Question 02

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go to 03.

If no, the food unit is complete.

Go to the [Individual Unit Preface](#).

Question 03

Are there any of the following in the household who you haven't yet placed in or out of the food unit:

- a. A spouse or parent with a food unit member?
- b. A minor for whom any food unit member provides parental control?
- c. Someone providing parental control to a minor food unit member?

If yes, pick a food unit member who has one of the above in the household and go to 04.

If no, go to 06.

Question 04

All the persons in this person's family group are in this food unit.

Go to 05.

Question 05

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go back to 03.

If no, the food unit is complete.

Go to the [Individual Unit Preface](#).

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- Question 06
- Does any food unit member have a child who is 21 years of age or younger in the household who you haven't placed in or out of the food unit?
- If yes, pick one of the adult children and go to 09.
- If no, go to 07.
- Question 07
- Does any food unit member have an adult child who is 22 years of age or older in the household who you haven't placed in or out of the food unit?
- If yes, pick one of the children who is 22 years or older and go to 08.
- If no, go to 14.
- Question 08
- Does that adult child purchase and prepare food separately from this food unit?
- If yes, go to 11.
- If no, go to 09.
- Question 09
- The following household members are in this food unit:
- a. That adult child and
  - b. The members of that adult child's family group.
- Go to 10.
- Question 10
- Is there anyone else in the household you haven't yet placed in or out of the food unit?
- If yes, go back to 03.
- If no, the food unit is complete.  
Go to the [Individual Unit Preface](#).
- Question 11
- The following household members are out of this food unit:
- a. That adult child and
  - b. The members of that adult child's family group.
- Go to 12.
- Question 12
- Is there anyone else in the household who you haven't placed in or out of this food unit?
- If yes, go to 13.

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If no, go to 14.

Question 13

Does anyone in the food unit you've formed so far have an adult child who is 22 years of age or older who you haven't yet placed in or out of the food unit?

If yes, pick one of the adult children and go back to 08.

If no, go to 14.

Question 14

Among the household members you haven't yet placed in or out of the food unit, does anyone pay this food unit for board, or; does anyone pay for board on behalf of any of these remaining household members?

If yes, pick one of these boarder groups and do the following:

- a. Add the number of prepared meals the members of this boarder group receive a day.
- b. Divide (a) by the number of persons in this boarder group. This is the average meals. Go to 15.

If no, go to 22.

Question 15

Does this boarder group receive more than 2 meals on the average a day?

If yes:

Look up the FS **allotment** for the boarder group's size. This is the boarder group's board test amount. Go to 16.

If no:

Look up the FS allotment for this boarder group size. Multiply this allotment by  $\frac{2}{3}$ .

The result is this boarder group's board test amount. Go to 16.

Question 16

Is the amount this boarder group pays for board equal to or greater than the board test amount?

If yes, go to 17.

If no, go to 18.

Question 17

Does the primary person want to include this boarder group in his/her food unit?

If yes, go to 18.

If no, go to 20.

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Question 18

The following household members are in this food unit:

- a. Each member of this boarder group, and
- b. Each person in the family group of each boarder group member.

Go to 19.

Question 19

Is there anyone else in the household who you haven't placed in or out of this food unit?

If yes, go back to 03.

If no, the food unit is complete.  
Go to the [Individual Unit Preface](#).

Question 20

Is there anyone else in the household you haven't placed in or out of this food unit?

If yes, go to 21.

If no, all remaining household members you haven't yet put in the food unit are **out** of the food unit. The food unit is complete.  
Go to the [Individual Unit Preface](#).

Question 21

Among the household members you haven't yet placed in or out of the food unit, does anyone pay this food unit for board, or does anyone pay for board on behalf of any of the remaining household members?

If yes, go back to 14 with another boarder group.

If no, go to 22.

Question 22

Does the food unit you've formed so far contain any foster care provider?

If yes, pick one foster care provider and go to 23.

If no, go to 33.

Question 23

Does this person provide foster care to any foster person(s) you haven't yet placed in or out of the food unit?

If yes, go to 24.

If no, go to 33.



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If no, go to 32.

Question 30

Does the primary person want the foster person s/he provides care for brought into this food unit?

If yes, the following persons are in this food unit:

- a. The foster person this person provides care for and,
- b. All members of this foster person's family group. Go to 31.

If no, go to 32.

Question 31

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go back to 03.

If no, the food unit is complete.  
Go to the [Individual Unit Preface](#).

Question 32

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go to 33.

If no, all remaining household members who you haven't yet put in the food unit are out of this unit. The food unit is complete.  
Go to the [Individual Unit Preface](#).

Question 33

Among the household members you haven't yet placed in or out of the food unit, does anyone purchase and prepare food with this food unit?

If yes, go to 34.

If no, all remaining household members are out of this food unit. They are ineligible in this determination. The food unit is complete.  
Go to the [Individual Unit Preface](#).

Question 34

From among these remaining household members who purchase and prepare food with this food unit, is there anyone who is not an attendant/housekeeper?

If yes, pick one person who is not an attendant/housekeeper, and go to 35.

If no, pick one person who is an attendant/housekeeper, and go to 36.



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Question 41

The following household members are out of this food unit:

- a. This person, and
- b. The members of this person's family group.

Go to 42.

Question 42

Is there anyone else in the household who you haven't yet placed in or out of this food unit?

If yes, go to 43.

If no, the food unit is complete.

Go to the [Individual Unit Preface](#).

Question 43

Among the remaining household members who you haven't yet placed in or out of this food unit, does anyone purchase and prepare food with this food unit?

If yes, go back to 34.

If no, all remaining household members are out of this food unit. They are ineligible in this determination. The food unit is complete.

Go to the [Individual Unit Preface](#).

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Preface This unit tests each food unit member against most of the eligibility requirements s/he must meet individually to be eligible.

Go to the [Individual Unit Instructions](#).

Instructions Test each food unit member in the unit.

Don't test any household member who isn't in this food unit.

Go to the [Individual Unit Worksheet](#).

Worksheet Use the Individual section of the worksheet.

- Circle "Pass" in the column of each food unit member you find eligible in this unit.
- Circle "Fail" in the column of each ineligible food unit member.

Go to the [Individual Unit Question 01](#).

Question 01 Does this person have an **SSN**?

If yes, go to 03.

If no, go to 02.

**Appendix References:** 5.1.0 Requirements

Question 02 Is this person cooperating with the agency in applying for an SSN; or, if this is a minor, is the primary person cooperating with the agency in applying for an SSN for the minor?

If yes, go to 04.

If no, the person for whom you don't have an SSN is ineligible until s/he cooperates unless they are claiming a religious exemption. A minor without an SSN is ineligible until the primary person cooperates. Go to 42.

Question 03 Does this person refuse to furnish his/her SSN; or, if this is a minor, does the primary person refuse to furnish this minor's SSN?

If yes, the person for whom you don't have an SSN is ineligible until s/he cooperates unless they are claiming a religious exemption. A minor without an SSN is ineligible until the primary person cooperates. Go to 42.

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If no, go to 04.

Question 04

Is this person a **nonqualifying alien**?

If yes, s/he is ineligible. Go to 42.

If no, go to 05.

**Appendix References:** 4.2.0 Aliens

Question 05

Is this person's **citizenship** questionable?

If yes, s/he is ineligible. Go to 42.

If no, go to 06.

**Appendix References:** 4.1.0 Citizens

Question 06

Is this person included in any FS group that already received FS for the **payment month**?

If yes, go to 07.

If no, go to 11.

Question 07

Are the FS this person received for the payment month subject to recovery?

If yes, go to 11.

If no, go to 08.

Question 08

Is this person currently residing in a **shelter for battered women and children**?

If yes, go to 09.

If no, s/he is ineligible in this determination. Go to 42.

**Appendix References:** 2.5.0 Shelters for Battered Women & Children

Question 09

Do all FS groups in which this person received FS for the payment month also include the alleged abuser?

If yes, go to 10.

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If no, this person is ineligible in this determination. Go to 42.

Question 10

Has this person already received FS for the payment month while in the shelter during the payment month?

If yes, s/he is ineligible in this determination. Go to 42.

If no, go to 15.

Question 11

Does this person reside in a **group living arrangement**?

If yes, go to 12.

If no, go to 13.

**Appendix References:** 2.3.0 Group Living Arrangement

Question 12

Is this person **blind or disabled**?

If yes, go to 15.

If no, this person is ineligible in this determination. Go to 42.

**Appendix References:** 1.6.1 Definitions

Question 13

Does this person reside in an **institution**?

If yes, go to 14.

If no, go to 15.

**Appendix References:** 2.1.0 Institution

Question 14

Is this person residing in the institution only temporarily?

If yes, go to 15.

If no, this person is ineligible in this determination. Go to 42.

Question 15

Is this person at least **18 but less than 50 years old**?

If yes, go to 16.

If no, s/he passes the individual tests and is eligible so far. Go to 31.

**Appendix References:** 7.1.1 Enrollment

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- Question 16
- Is this person enrolled at least half time in an **institution of higher education**?
- If yes, go to 17.
- If no, s/he passes the individual tests and is eligible so far. Go to 31.
- Appendix References:** 7.1.1 Enrollment
- Question 17
- Is this student **disabled**?
- If yes, s/he passes the individual tests and is eligible so far. Go to 31.
- If no, go to 18.
- Appendix References:** 1.6.1 Definitions
- Question 18
- Is this student **physically or mentally incapable** of engaging in gainful employment?
- If yes, s/he passes the individual tests and is eligible so far. Go to 31.
- If no, go to 19.
- Appendix References:** 7.1.1 Enrollment
- Question 19
- Is this student **employed** (not self-employed) at least 20 hours a week?
- If yes, s/he passes the individual tests and is eligible so far. Go to 31.
- If no, go to 20.
- Appendix References:** 7.1.1 Enrollment
- Question 20
- Is this student self-employed 20 or more hours a week?
- If yes, go to 21.
- If no, go to 22.
- Appendix References:** 7.1.1 Enrollment
- Question 21
- Does this student **earn \$103** or more a week?
- If yes, s/he passes the individual tests and is eligible so far.
- Go to 31.

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If no, go to 22.

**Appendix References:** 7.1.1 Enrollment

Question 22

Is this student both employed **and** self-employed 20 or more hours a week and **earning \$103** or more total?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 23.

**Appendix References:** 7.1.1 Enrollment

Question 23

Does this student participate in **Title IV-C Work Study**, and is s/he paid to participate?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 24

**Appendix References:** 7.1.1 Enrollment

Question 24

Does this student **provide care** to a dependent household member who is:

- a. Under age 6, or
- b. At least 6 but less than 12, where your agency has determined that adequate child care is not available?

If yes, go to 25.

If no, go to 26.

**Appendix References:** 7.1.1 Enrollment

Question 25

Is this the only student claiming to **provide care** for this child?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, allow student status for only one student per child. Go to 26 with the other person(s).

**Appendix References:** 7.1.1 Enrollment

Question 26

Is this student receiving a **W-2** cash payment, or in a W-2 employment position?

If yes, s/he passes the individual tests and is eligible thus far. Go to 31.

4/9/2004-B	Food Stamp Handbook Logic Flow  Individual Unit	27
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If no, go to 27.

**Appendix References:** 7.1.1 Enrollment

Question 27

Is this student assigned to or placed in an institution of higher education by the **Workforce Investment Act (WIA)** office?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 28.

**Appendix References:** 7.1.1 Enrollment

Question 28

Is this student participating in an on-the-job training program?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 29.

**Appendix References:** 7.1.1 Enrollment

Question 29

Is this student a single parent, and full-time student responsible for the care of a dependent food unit member under the age of 12?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, go to 30.

**Appendix References:** 7.1.1 Enrollment

Question 30

Is this student a full-time student, not living with his/her spouse, responsible for the care of a dependent food unit member under 12 years of age, who does not have a parent or stepparent living with the child?

If yes, s/he passes the individual tests and is eligible so far. Go to 31.

If no, this student is ineligible. Go to 42.

Question 31

Is this person a fleeing felon?

If yes, s/he is ineligible. Go to 42.

If no, s/he passes this individual test and is eligible so far. Go to 32.

**Appendix References:** 15.5.0 Fleeing Felons and Probation & Parole Violators, 19.00.00 Fleeing Felons

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Question 32

Is this person a probation or parole violator?

If yes, s/he is ineligible. Go to 42.

If no, s/he passes this individual test and is eligible so far. Go to 33.

**Appendix References:** 15.5.0 Fleeing Felons and Probation & Parole Viola

Question 33

Was this person **convicted of a drug felony** after August 22, 1996 and within the last five years?

If yes, go to 34.

If no, s/he passes this individual test and is eligible so far. Go to 38.

**Appendix References:** 19.02.00 Drug Felons

Question 34

Did this person submit to a drug test?

If yes, go to 35.

If no, s/he is ineligible. Go to 42.

**Appendix References:** 19.02.00 Drug Felons

Question 35

Did this person pass the drug test?

If yes, this person passes this individual test and is eligible so far. Go to 38.

If no, s/he is ineligible for 12 months. Go to 36.

Question 36

Has this person finished his/her 12 months of ineligibility and requested another drug test?

If yes, go to 37.

If no, s/he is ineligible. Go to 42.

**Appendix References:** 19.02.01 Regaining Eligibility

Question 37

Did this person pass the second drug test?

If yes, s/he passes this individual test and is eligible so far. Go to 38.

If no, s/he is ineligible for the FS Program for an additional 12 months. Go to 42.



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Preface

This unit does the following:

- Questions 01 through 16: These decide whether each food unit member is mandatory for or exempt from FS Work Programs participation.
- Questions 17 through 19: These check if exempt persons want to register voluntarily. They then send you back to the beginning of the unit to test the next person.

**Appendix References:** [FSET Manual](#)

Go to the [Work Participation Instructions](#).

Instructions

Test each food unit member in this unit, regardless of eligibility.

Don't test any household member who isn't in this food unit.

Go to the [Work Participation Unit Worksheet](#).

Worksheet

Use the Work Participation section of the Nonfinancial Worksheet (20.01.00).

- Circle "Man" in the column of each food unit member who is mandatory work programs participant.
- Circle "Ex" in the column of each food unit member who is exempt from FS work programs participation.
- Circle "Vol" in the column of each food unit member who is a voluntary work programs participant.

Go to the [Work Participation Unit Question 01](#).

Question 01

Is this person a mandatory participant in a **W-2 employment position** or a second parent in a W-2 employment position household?

If yes, go to 02.

If no, go to 03.

Question 02

Is this person enrolled in a W-2 employment position, or enrolled in activities as a W-2 second parent?

If yes, this person is exempt from FS Work Programs participation.  
Go to 18.

If no, go to 03.

Question 03

Is this person **under 16**?

If yes, this person is exempt from FS Work Programs participation.  
Go to 18.

4/9/2004-B	Food Stamp Handbook Logic Flow  Work Participation Unit	31
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If no, go to 04.

**Appendix References:** [FSET Manual](#)

Question 04

Is this person **60 years old or older**?

If yes, this person is exempt from FS Work Programs participation.  
Go to 18.

If no, go to 05.

**Appendix References:** [FSET Manual](#)

Question 05

Is this person **enrolled** at least half time in a recognized school, employment training program, or institution of higher education?

If yes, this person is exempt from FS Work Programs participation.  
Go to 18.

If no, go to 06.

**Appendix References:** [FSET Manual](#)

Question 06

Is this a **migrant or farm worker** under contract or similar agreement to begin employment within 30 days?

If yes, this person is exempt from FS Work Programs participation.  
Go to 16.

If no, go to 07.

**Appendix References:** [FSET Manual](#)

Question 07

Is this person **employed or self- employed**?

If yes, go to 08.

If no, go to 10.

**Appendix References:** [FSET Manual](#)

Question 08

Is this person employed or self-employed for **at least 30 hours/week**?

If yes, this person is exempt from FS Work Programs participation.  
Go to 16.

If no, go to 09.

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**Appendix References:** [FSET Manual](#)

Question 09

Is this person's weekly wage at **least \$154.50**?

If yes, this person is exempt from FS Work Programs participation.  
Go to 16.

If no, go to 10.

**Appendix References:** [FSET Manual](#)

Question 10

Is this person physically or **mentally incapable of engaging in gainful** employment?

If yes, this person is exempt from FS Work Programs participation.  
Go to 16.

If no, go to 11.

**Appendix References:** [FSET Manual](#)

Question 11

Is this person a regular participant (inpatient or outpatient) in a **drug or alcohol treatment and rehabilitation program**?

If yes, this person is exempt from FS Work Programs participation.  
Go to 16.

If no, go to 12.

**Appendix References:** 02.04.00 Drug & Alcohol Treatment Centers

Question 12

Does this person **provide care** for a child under 6 or for a person who is incapacitated?

If yes, go to 13.

If no, go to 15.

**Appendix References:** [FSET Manual](#)

Question 13

Have you already exempted another person in this food unit for providing care for a child under 6 or for an incapacitated person?

If yes, go to 14.

If no, this person is exempt from FS Work Programs participation. Go to 16.



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Preface

This unit determines if someone in the food unit is an able-bodied adult without dependents (ABAWD). A waiver was received from the federal government that prevents an ABAWD from losing benefits due to a strike or time limits. ABAWD status should still be tracked in CARES and any strikes should be deleted.

- Questions 01 through 11: These questions determine if a person is an ABAWD.

**Appendix References:** [FSET Manual](#) Ch. 6.

Go to the [ABAWDs Instructions](#).

Instructions

Test all food unit members in this unit for each month in question.

Go to 01.

Question 01

Is this person eligible for a full month (not pro-rated) of FS benefits this month?

If yes, go to 02.

If no, go to 11.

Question 02

Is this person age 18 through 49 for the entire month?

If yes, go to 03.

If no, go to 11.

Question 03

Is this person a mandatory FSET participant for the entire month?

If yes, go to 04.

If no, go to 11.

Question 04

Is this person pregnant at any time during the month?

If yes, this person is not an ABAWD. Go to 11.

If no, go to 05.

**Appendix References:** [FSET Manual](#)



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Question 09

Does this person have "good cause" for non-participation in hours of employment, FSET activities during the month?

If yes, go to 10.

If no, this person is an ABAWD. You are finished with this individual. Go to 11.

**Appendix References:** [FSET Manual](#)

Question 10

Is this person's total average hours of employment and/or FSET participation, including "good cause" hours at least 20 per week?

If yes, this person is an ABAWD that meets ABAWD participation requirements. Go to 11.

If no, this person is an ABAWD that doesn't meet participation requirements. You are finished with this individual. Go to 11.

**Appendix References:** [FSET Manual](#)

Question 11

Is there anyone in the household that has not been tested in this unit?

If yes, go to 01 with that person.

If no, go to the [Sanctions Unit Preface](#).

4/9/2004-B	Food Stamp Handbook Logic Flow Sanctions Unit	37
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Preface

- This unit decides who is ineligible if someone in the food unit **voluntarily quits** employment or doesn't comply with **FS Work Program requirements** or State or Federal QC reviewers.
- Question 01: This question continues an **Intentional Program Violation (IPV)** (06.01.00) already in effect.
- Questions 02 through 06: These continue or lift a voluntary quit sanction. They also begin a new voluntary quit sanction for this individual.
- Questions 07 through 14: These continue or lift a sanction for FS Work Program noncompliance. They also start a new sanction for FS Work Program noncompliance. The sanction or strike will apply to individual food unit members.
- Questions 15 through 22: These continue or lift a sanction for noncompliance with State or Federal QC reviewers. They also begin a new sanction for noncompliance with Federal or State QC reviewers. These sanctions apply to the whole food unit.

Go to the [Sanctions Unit Instructions](#).

**Appendix References:** 06.01.00 Disqualification, [FSET Manual](#)

Instructions

Test all food unit members, eligible or not, in this unit. Don't test any household members who aren't in this food unit. Some questions ask about the whole food unit. Others ask about individual food unit members.

Go to the [Nonfinancial Worksheet](#).

Nonfinancial Worksheet

Use the Sanctions section of the Non-financial Worksheet (20.01.00).

Circle "Not Sanct." in the column of any food unit member who doesn't have a new or ongoing sanction, or from whom you lift a sanction in this unit.

Record the sanction reason, and the sanction begin and end dates in each sanctioned person's column.

Go to the [Sanctions Unit Question 01](#).

Question 01

Is anyone in this FS group already within a sanction period for IPV?

If yes, continue that person(s) sanction. Go to 02.

If no, go to 02.

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Question 02

Did any food unit member quit a job:

- a. During the 60 days before his/her most recent application for FS; or
- b. At any time after his/her most recent beginning eligibility date?

If yes, go to 03 with one person who did so.

If no, go to 07.

Question 03

Did this person have **good cause** for quitting employment?

If yes, go to 07.

If no, go to 04.

**Appendix References:** [FSET Manual](#)

Question 04

Is this person now exempt from FSET participation?

If yes, go to 07.

If no, go to 05.

Question 05

Did this person receive food stamps in the payment month or the month before the payment month?

If yes, this person is ineligible for the next 3 possible payment months. You are done with this person's determination.

Go to 06.

If no, this person is ineligible for 90 days from the date of the quit. You are done with this determination.

**Appendix References:** [FSET Manual](#)

Question 06

Is there another food unit member who quit a job:

- a. During the 60 days before his/her most recent application for FS; or
- b. At any time after his/her most recent beginning eligibility date?

If yes, go back to 03 with another person who quit.

If no, go to 07



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**Appendix References:** [FSET Manual](#)

- Question 14                      Have you received a FS Work Program **noncompliance** report on someone else?
- If yes, go back to 12 with one of them.
- If no, go to 15.
- 
- Question 15                      Is anyone already within a sanction period for refusing to cooperate with state or federal QC reviewers?
- If yes, go to 16.
- If no, go to 17.
- 
- Question 16                      Do all non-cooperating person(s) now cooperate with the FS QC reviewers?
- If yes, lift the sanction from the food unit.  
Go to the [FS Group Unit Preface](#).
- If no, continue this food unit's sanction.  
You are done with this determination.
- 
- Question 17                      Did a previous FS QC review sanction period expire?
- If yes, go to 18.
- If no, go to 19.
- 
- Question 18                      Has the food unit provided verification of all eligibility factors at any time since the end of the most recent QC review sanction period?
- If yes, go to the [FS Group Unit Preface](#).
- If no, the food unit is ineligible.  
You are done with this determination.
- 
- Question 19                      Have you received notification that a food unit member(s) is refusing to cooperate with a state or federal QC review?
- If yes, go to 20.
- If no, go to the [FS Group Unit Preface](#).

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Question 20

Was the QC review by state staff?

If yes, go to 21.

If no, go to 22.

Question 21

The food unit is ineligible. Begin the sanction period with the next possible payment month. The sanction extends through 95 days after the end of the annual quality review period or until the food unit member(s) cooperate, whichever occurs first. You are done with this determination.

Question 22

The food unit is ineligible. Begin the sanction period with the next possible payment month. The sanction extends through 7 months after the end of the annual quality review period or until the food unit member(s) cooperate, whichever occurs first. You are done with this determination.

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Preface

This unit does the following:

- Question 01: This forms the primary person's FS group.
- Question 02: This question denies any FS group that contains anyone who is receiving commodities through a Native American tribe's Food Distribution program (03.02.01).
- Questions 03 through 11: These decide whether the FS group is a categorically eligible FS group, a mixed categorically eligible FS group, or a standard FS group.
- Some questions ask about the whole food unit. Others ask only about the FS group.

Go to the [FS Group Unit Instructions](#).

Instructions

Test the whole food unit collectively in this unit. Don't test persons who aren't in the food unit.

Go to the [FS Group Unit Worksheet](#).

Worksheet

Use the FS Group section of the Nonfinancial worksheet (20.01.00).

- Circle "In" in the column of each food unit member who is in the FS group.
- Circle "Out" in the column of each food unit member who is out of the FS group.
- Circle "Cat" if the FS group is categorically eligible. Note if the group is mixed categorically eligible.
- Circle "Standard" if the FS group is a standard FS group.
- Write the number of persons in the food unit and the number of persons in the FS group in the spaces provided.

Go to the [FS Group Unit Question 01](#).

Question 01

Is any food unit member still nonfinancially eligible?

If yes, the food unit members who are still eligible are the FS group. Go to 02.

If no, no one is eligible in this determination. You are done with this determination.

Question 02

Is anyone in this FS group receiving commodities through a Native American tribe's Food Distribution Program?

If yes, this FS group is ineligible in this determination. You are done with this determination.

If no, go to 03.

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Question 03 Is someone in the food unit already within a sanction period for **IPV**?

If yes, this is a standard FS group.  
Go to the [Introductory Financial Unit Introduction](#).

If no, go to 04.

**Appendix References:** 06.01.00 IPV Disqualification

Question 04 Have you been notified in writing by a court or by the State Office of Administrative Hearings that a member of the FS group has committed an **IPV**?

If yes, this is a standard FS group.  
Go to the [Introductory Financial Unit Introduction](#).

If no, go to 05.

Question 05 Is someone in the food unit already ineligible to be in the FS group because s/he is disqualified due to a FS Drug Felony sanction?

If yes, this is a standard FS group.  
Go to the [Introductory Financial Unit Introduction](#).

If no, go to 06.

**Appendix reference:** 01.03.01, 19.02.00

Question 06 Is anyone in this food unit a person who was found ineligible for FS because s/he **divested**?

If yes, pick one of these persons and go to 07.

If no, go to 08.

**Appendix References:** 11.05.0

Question 07 Will this person still be in his/her divestment **disqualification period** during the payment month?

If yes, this FS group is ineligible in this determination. You are done with this determination.

If no, go to 08.

**Appendix References:** 11.05.0

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Question 08

Does **at least one** member of the food unit receive **any** of the following types of assistance: W-2 payment position, W-2 case management, W-2 caretaker of an infant, W-2 Trial Job, Kinship Care, C-Supp, Child Care, Job Access Loan, Children First, Welfare to Work, Tribal TANF, or Workforce Advancement and Attachment (WAA)?

**Note:** The WAA program ended 12/31/03 and there will be no more people enrolled as of 06/30/04.

If yes, this is a **categorically eligible** FS group.  
Go to the [Introductory Financial Unit Introduction](#).

If no, go to 09.

**Appendix References:** 01.03.01 Categorically Eligible

Question 09

Do **all** members of the FS group receive SSI?

If yes, this is a **categorically eligible** FS group.  
Go to the [Introductory Financial Unit Introduction](#).

If no, go to 10.

Question 10

Is there at least one member of the FS group who receives SSI **AND** there is at least one other member who doesn't receive SSI **OR** any of the assistance types listed in 8 above?

If yes, this is a **mixed categorically eligible** FS group.  
Go to the [Introductory Financial Unit Introduction](#).

If no, go to 11.

Question 11

Is there anyone else in this FS group you haven't tested yet in Question 06 who was previously found ineligible because s/he divested?

If yes, pick one of these persons and go back to 07.

If no, this is a **Standard** FS group.  
Go to the [Introductory Financial Unit Introduction](#).

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Introduction

Use the following rules in the financial section of this handbook.

1. Use monthly amounts throughout the financial section, including income, assets, deductions.
2. Use **prospective** calculations, to determine the income
3. Income and assets must be available before you may count them in determining eligibility or allotment level.
4. Use both dollar and cent amounts through line 22 on the FS Worksheet. Compute line 22 including the cents, but round up or down to the next whole dollar before entering the result. If the amount is 0-49 cents, round down. If the amount is 50-99 cents, round up

**Example.** The amount is \$112.50. Round up to \$113. If \$112.48, round down to \$112.

5. Use the FS Worksheet (20.2.0) as directed in the Financial Section.
6. A **categorically eligible** FS group definition is found in the appendix 1.3.1. A **mixed categorically eligible** FS group definition is found in the appendix 1.3.2.

Question 01

Is this a **categorically eligible** FS group?

If yes, go to the Unearned Income Unit.

If no, go to 02.

**Appendix References:** 1.3.1 Categorically

Question 02

Does anyone in the food unit have an **asset**?

If yes, [go to the Assets Unit Question 01.](#)

If no, [go to the Unearned Income Unit Question 01.](#)

**Appendix References:** 11.01.00 Assets

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Vehicle Policy Change

All vehicles are exempt as of 07/01/01. [Go to the Assets Unit Question 01.](#)

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Question 01

Add up the **countable, available assets** belonging to the members of the FS group. Do not count any **W-2 group (except case management only), or SSI recipient's assets**. Count assets of GR recipients. Do not deem assets from aliens who are receiving State Option FS, to the FS group.

Add assets deemed to the FS group from ineligible members of the food unit plus the FS group's:

**Savings accounts**

+

**Individual Retirement Accounts (IRA)** (less any early withdrawal penalty)

+

**KEOGH** plan accounts (less any early withdrawal penalty)

+

**Checking accounts**

+

**Cash**

+

Cash value of **US Savings Bonds**

+

**Burial Funds**

+

Assets **deemed** to an alien from his/her sponsor

+

**Other** assets.

Go to 02.

**Appendix References:** 11.0.0 ASSETS, 11.4.23 Savings Accounts, 11.4.26 Checking Accounts, 11.4.27 Cash, 11.4.28 US Savings Bonds, 11.4.5 Burial Plot, 11.4.6 Retirement Funds, 15.3.0 Ineligible Alien, Citizenship or SSN-Related Disqualification

Question 02

Enter this total on line 2 of the FS Worksheet (20.2.0) as "Other Assets".

Go to 03.

Question 03

Add "Other Assets" to the amount on line 1 (FS Worksheet), "Vehicle Assets". Effective 07/01/01 vehicles are exempt so this amount should be \$0. Enter the total on line 3 (FS Worksheet).

[Go to the Assets Test and Divestment Unit Question 01.](#)



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b. A food unit member who is disqualified from the FS group for:

- (1) An IPV,
- (2) Failing to provide or apply for an SSN,
- (3) Being an ineligible alien,
- (4) A questionable claim of citizenship, or
- (5) Violating a work program requirement.

If yes, go to 10.

If no, go to 06.

Question 06

Did this person knowingly **give away** this asset(s) in an attempt to make the FS group eligible for FS?

If yes, go to 07.

If no, go to 10.

**Appendix References:** 11.5.2 Burden of Proof

Question 07

Add the value of the asset(s) given away to the FS group's "Total Assets".

Go to 08.

Question 08

Is the total of transferred assets (from 07) plus "Total Assets" more than the FS group's asset limit (FS Worksheet, line 4)?

If yes, this FS group is ineligible in this determination. Go to 09.

If no, go to 10

Question 09

Subtract the FS group's asset limit (FS Worksheet, line 4) from the "Total Assets" in step 07. Use the remainder to determine the **period** this FS group is ineligible because of divestment.

**Appendix References:** 18.5.0

Question 10

Does anyone in the FS group have **unearned income**?

If yes, go to the [Unearned Income Unit Question 01](#).

If no, go to the [Earned Income Unit Question 01](#).

**Appendix References:** 12.02.00 Unearned Income

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Question 01

Is there a food unit member with unearned income who is **disqualified** from the FS group for:

- a. An IPV,
- b. Failing to provide an SSN,
- c. Violating a work program requirement,
- d. Being an ineligible alien, or
- e. A questionable claim of citizenship?

If yes, determine the amount of the disqualified person's income **deemed** to the FS group. Go to 02.

If no, go to 02

**Appendix References:** 15.0.0 DEEMING AND INELIGIBLE PERSONS, [FSET Manual](#)

Question 02

Add up the monthly amounts of all the following types of income received by persons in the FS group:

Income deemed from food unit members not part of the FS group.  
(Do not deem from aliens who are receiving State Option FS, to the FS group

+

Gross **Social Security** benefits including **Medicare** premium

+

Maintenance and/or **child support**

+

Current month's **CS disregard**

+

Current month's **CS refund**

+

**Supplemental Security Income (SSI)**

+

**SSI-Exceptional Exp. Supplement (SSI-E)**

+

**Unemployment Compensation**

+

**General Relief**, including work relief

+

Recurring **profit sharing** payments

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- +  
**Strike benefits**
- +  
**Striker's** income (highest of pre-strike or current income)
- +  
**Foster care** payments for children or adults
- +  
Moneys withdrawn or dividends which are, or could be, received from an exempt **trust fund**
- +  
**Worker's Compensation**
- +  
**W-2 Payments** received because of participation in a W-2T or CSJ position, or as the custodial parent of an infant.
- +  
Employer subsidy and the earned income deduction portion of **W-2 Trial Job Wages**
- +  
**Caretaker Supplement For Children (C-Supp)**
- +  
**Kinship Care**
- +  
All other unearned income listed.

Go to 03

**Appendix References:** 1.5.1 Foster Payment, 12.2.25 Child Support (CS), 12.2.25.2 CS DEFRA Disregard, 12.2.25.3 CS Refund, 12.2.33 SSI, 12.2.33.3 SSI-E Payments, 12.2.34 Unemployment Compensation, 12.2.35 General Relief, 12.2.36 Social Security, 12.3.9 Repayments, [FSET Manual](#), 12.2.38 Trust Funds, 12.2.45 Worker's Compensation, 12.2.50 W-2 Payments, 12.3.28, 12.2.51 W-2 Trial Job Wages, 12.2.52 Caretaker Supplement for Children, and 12.2.53 Kinship Care.

Question 03

Enter total unearned income on line 8, FS worksheet.

Go to the [Earned and Training Income Unit Question 01](#).

**Appendix References:** 12.02.00 Unearned Income. 20.02.00 FS Worksheet

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Question 01

Is there a food unit member with **earned income** who is disqualified from the FS group for:

- a. An IPV,
- b. Failing to provide an SSN,
- c. Violating a work program requirement,
- d. Being an ineligible alien, or
- e. A questionable claim of citizenship?

If yes, determine the amount of the disqualified person's income deemed available to the FS group. Go to 02.

If no, go to 02.

**Appendix References:** 12.3.0 Earned Income

Question 02

Is there a FS group member with earned income or an Employment-Training Incentive or Payment?

If yes, go to 03.

If no, go to Room & Board Unit.

Question 03

Is s/he 17 years of age or younger?

If yes, go to 05 with this person.

If no, go to 04 with this person.

Question 04

Did s/he turn 18 years of age this month?

If yes, go to 05.

If no, go to 07.

Question 05

Is s/he a student enrolled in a grade, high, or technical school, or in a college, university or training program?

If yes, go to 06.

If no, go to 07.

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Question 06

Is s/he living:

- a. In the same FS group with a natural, adoptive, or step-parent, or
- b. Under the parental control of another member of the same FS group other than a parent, or
- c. In a separate FS group but living with a natural, adoptive, or stepparent?

If yes, disregard all of his/her earned income. If there is another FS group member with earned or training income, return to 03.

If there are no more members with earned or training income, go to 07.

If no, go to 07.

**Appendix References:** 12.3.21 Students

Question 07

Add his/her **monthly** income from:

**Wages & Salary**

+

**W-2 Trial Job wages (in part)**

+

**Rental Property**

+

**Self-employment**

+

**WIA On-the-job Training Payments**

+

Other **Earned Income**

+

**Tips**

+

**Work Incentive & Training Payments**

+

**Striker's** income (highest of pre-strike or current income).

Go to 08.

**Appendix References:** 12.02.51 W-2 Trial Job Wages, 12.03.0 Earned Income, 12.03.01 Monthly Income Rule, 12.03.12.01 WIA On The Job Training (OJT), 12.03.13 Rental Income, 12.03.14 Training Allowances, 12.03.24 Wages, 13.04.00 Income, 01.10.00 Strikers

Question 08

Enter the total monthly earned income on line 5 of the FS Worksheet (20.2.0)

Go to the [Room and Board Income Test Unit Question 01.](#)

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Question 01 Does anyone pay money to someone in the FS group for room or **board** (or both) at the FS group's address?

If yes, go to 02.

Go to the [Income Computation Unit Preface](#).

**Appendix References:** 01.04.00 Boarder

Question 02 Is the person who pays the money in the same FS group as the person s/he pays?

If yes, ignore the payment.

Go to the [Income Computation Unit Preface](#).

If no, go to 03.

Question 03 Is this income from a commercial boarding house operated by someone in the FS group?

If yes, determine monthly **self employment income** . Go to 06.

If no, go to 04.

**Appendix References:** 13.4.0

Question 04 Does anyone who is not in this FS group, pay money to someone in the FS group to only room at the group's address?

If yes, determine monthly self employment income. Go to 05.

If no, go to 05.

Question 05 To determine income from any remaining boarders, subtract the allotment maximum for the number of boarders. If the FS group documents that the actual cost of providing room and board is more, use the actual amount.

Go to 06.

Question 06 Enter any remaining room and board income on line 6, [Food Stamp Worksheet](#).

Go to the [Income Computation Unit Preface](#).



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Question 07 Don't require this FS group to meet the Gross Income Test. Enter "NA" (not applicable) in gross income limit (line 10).

Go to 09

Question 08 Don't require this FS group to meet the Gross Income Test. Enter "NA" (not applicable) in gross income limit (line 10).

Go to 11.

Question 09 Are the total allowable medical expenses of the group's elderly, disabled, and/or blind members more than \$35 a month?

If yes, go to 10.

If no, go to 11.

**Appendix References:** 16.4.5 Allowed Expenses

Question 10 Enter the amount of the allowable medical expenses of the elderly, disabled, and/or blind members over \$35 per month in excess medical expenses (line 11) of the worksheet.

Go to 12

Question 11 Enter "0" in excess medical expenses (line 11).

Go to 12

Question 12 Enter the **earned income deduction** (line 12). The earned income deduction is 20% of the total earned income (line 7).

Go to 13

**Appendix References:** 16.3.0 Earned Income

Question 13 Enter the **standard deduction** (line 13).

Go to 14

**Appendix References:** 18.3.0

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Question 14

Is there a food unit member who pays court ordered **child support** to a nonhousehold member and who is disqualified from the FS group for one of the following reasons:

- a. Failing to provide a SSN,
- b. Being an ineligible alien.

If yes, divide the amount of child support paid evenly among the food unit members, including the disqualified member. Allow all but the disqualified member's portion as a deduction. Enter the amount in child support payment deduction (line 14).

Go to the [Dependent Care Unit Preface](#).

If no, go to 15.

**Appendix References:** 16.05.00 Child Support

Question 15

Is there a FS group member who pays court ordered child support to a nonhousehold member?

If yes, enter the amount in child support payment deduction (line 14).  
Go to the [Dependent Care Unit](#).

If no, enter "0" in child support payment deduction (line 14). Go to the [Dependent Care Unit](#).



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Question 05 Is the dependent care paid for with money (not an **in kind**) payment?

If yes, go to 06.

If no, don't allow this person's dependent care expenses. Go to 09.

**Appendix References:** 16.5.0 Child Support

Question 06 Determine the total cost of care for this dependent as billed to a FS group member(s) or an ineligible food unit member(s). Is an ineligible food unit member billed for all or part of the expense?

If yes, go to 07.

If no, go to 08.

Question 07 Deem to the FS group a prorated share of the amount of the food unit's dependent care costs paid by or billed to the ineligible person.

Go to 08.

**FS Appendix Reference:** 15.03.05

Question 08 Does this person's dependent care cost more than the monthly limit?

If yes, only allow the maximum amount:

1. \$200 for this dependent if under age 2.
2. \$175 for this dependent if age 2 or over.

Go to 09 with this amount.

If no, allow the actual amount. Go to 09 with this amount.

Question 09 Is there another dependent in the food unit for whom someone pays dependent care?

If yes, go to 10.

If no, enter the amount from step 08 (if any) in dependent care deduction (line 15).

Go to the [Shelter and Utilities Computation Unit Question 01](#).

Question 10 Have you taken all dependents through the unit?

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If yes, add the amounts for each of the dependents from 07. Enter this amount in dependent care (line 15).

If yes, go to the [Shelter and Utilities Computation Unit Question 01](#).

If no, go to 02 with 1 of the remaining dependents.

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Worksheet

Use the **FS Worksheet** (20.01.00)

Question 01

Is anyone in the food unit billed regularly for or sharing the costs separately from his/her rent or mortgage for:

CARES screen AFSQ

- a. heating, or
- b. electricity, or
- c. cooking fuel, or
- d. water, or
- e. sewer, or
- f. trash, or
- g. phone?

If yes, go to 02.

If no, go to 06.

**Appendix References:** 16.07.00 Shelter, 16.08.00 Utilities.

Question 02

Does the FS group have a regular heating expense?

CARES screens AFSQ, AFUC

If yes, enter the current **Heating Standard Utility Allowance (HSUA)** amount (18.03.00) on line I. Go to 05.

If no, go to 03.

**Appendix References:** 18.03.00

Question 03

Does the FS group have a regular expense for *two or more* of any of the following utility types?:

CARES screens AFSQ, AFUC

1. electricity,
2. cooking fuel,
3. water,
4. sewer,
5. trash, or
6. phone

If yes, enter the **Limited Utility Allowance (LUA)** (18.03.00) on line I. Go to 05.

If no, go to 04.

**Appendix References:** 18.03.00 Deductions

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Question 04

Does the FS Group receive **only one** of the following utility expenses?:

1. electricity,
2. cooking fuel,
3. water,
4. sewer,
5. trash, or
6. phone

If yes, enter the appropriate utility standard (18.03.00) for that expense type on line I. Go to 05.

If no, go to 05.

**Appendix References:** 18.03.00 Deductions

Question 05

CARES screen AFUC

Does the FS group **share** a residence or utility expenses with anyone else?

If yes, determine the group's share of the shelter expense, according to:

- a. Appendix 15.02.05 (if sharing with an ineligible food unit member), or
- b. Appendix 16.07.00 (if not sharing with an ineligible food unit member).

If sharing utility expenses, allow the full standard utility allowance to the FS AG. The allowances are no longer prorated. See 18.03.00 Deductions and 15.02.05 Shelter Expenses.

If no, go to 06.

**Appendix References:** 15.02.05, 16.07.00, 16.08.08.01

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Question 06

CARES screen AFSC

Add the group's expenses or share of expenses for shelter costs (j-q) on the back of the FS Worksheet:

Countable **utility** expense

+

**Rent**

+

**Mobile home lot rental**

+

**Mobile home loan payments**

+

**Home mortgage payments**

+

**Condominium fees and Condo association fees**

+

**Property taxes** (if not included in mortgage payment)

+

**Special assessments**

+

**Insurance** on the structure (if not included in mortgage payment)

This result (r) is the group's total utility and shelter expense. Enter the total of these costs in total shelter expense (line 18) of the FS worksheet.

Go to 07.

**Appendix References:** 16.07.00 Shelter

Question 07

Enter 50% of the subtotaled net income (line 17) on line 19.

Go to 08.

Question 08

CARES screen EFAD

Is the total shelter expense (line 18) greater than 50% of the net income after deducting other allowable expenses (line 19)?

If yes, allow the group a **shelter deduction**. Go to 09.

If no, go to 10.

**Appendix References:** 16.07.00 Shelter

Question 09

CARES screen EFAD

Subtract FS Worksheet, line 19 from the total shelter expense (line 18). Enter the result in shelter deduction (line 20).

Go to 11.

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Question 10 Do not allow this FS group any **shelter deduction**. Move the  
CARES screen EFAD subtotaled net income (line 17), if any, to total net income (line 22).

Go to the [Income Test Unit Preface](#).

**Appendix References:** 01.06.00 Elderly & Disabled

Question 11 Is any FS group member elderly or disabled?

CARES screen ANDI If yes, go to 12.

If no, go to 13.

Question 12 Subtract the shelter deduction (line 20) from the subtotaled net  
CARES screen EFAD income (line 17). Enter the result in total net income (line 22).

Go to the [Income Test Unit Preface](#).

Question 13 The **shelter maximum** is \$367.

Go to 16.

**Appendix References:** 18.03.00

Question 14 Is the group's shelter deduction (line 20) greater than its shelter  
maximum?

If yes, go to 15.

If no, go to 16.

Question 15 Subtract the shelter maximum (line 21) from the subtotaled net  
CARES screen EFAD income (line 17). Enter the result in total net income (line 22).

Go to the [Income Test Unit Preface](#).

Question 16 Subtract the shelter deduction (line 20) from the subtotaled net  
CARES screen EFAD income (line 17). Enter the result in total net income (line 22).

Go to the [Income Test Unit Preface](#).

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- Preface
- Most FS groups must pass a net income test. The net income test is based on net income limits (18.01.01) and FS group size. Categorically eligible FS groups don't have to pass the net income test.
- After computing monthly net income, you'll test the group's income against the net income limit. If the group's income exceeds the net income limit, the group is not eligible. If the group's income equals or is less than the limit, the group may be eligible. Use the [FS Worksheet](#) (20.02.00) for these computations.
- Question 01
- Did you determine this FS group to be categorically eligible?
- If yes, go to 02.
- If no, go to 03.
- Question 02
- Don't require this FS group to meet the Net Income Test. Enter "NA" (not applicable) on line 23.
- Go to the [Allotment Unit Question 01](#).
- Question 03
- For the appropriate FS group size, enter the net income limit (18.1.0) on line 23.
- Go to 04.
- Question 04
- Is the total net income (line 22) more than the net income limit (line 23)?
- If yes, this group isn't eligible.
- Go to the [Allotment Unit Question 01](#).

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Question 01 Round the total net income (FS Worksheet, line 22) to the nearest whole dollar. If, for example, the amount is \$140.49, round down to \$140. If the amount is \$140.50, round up to \$141. Enter the adjusted net income on line 24.

Go to 02.

Question 02 Is the FS group size larger than 10?

If yes, go to 03.

If no, go to 05.

Question 03 To determine the FS group's monthly allotment for a group size larger than 10:

- a. Using the adjusted net income (line 24), look up the maximum monthly **FS allotment**.
- b. Add \$102 for each additional member above 10.
- c. Enter the allotment amount on line 25.

Go to 04.

**Appendix References:** 17.1.1 FS Groups With 1 or 2 Persons, 18.6.0

Question 04 Is the monthly allotment amount (line 25) blank or "0"?

If yes, go to 07.

If no, go to 10.

Question 05 Using the adjusted net income (line 24), look up the monthly **FS allotment**. Enter the allotment amount on line 25.

Go to 06.

**Appendix References:** 17.1.1 FS Groups With 1 or 2 Persons, 18.6.0

Question 06 Is the monthly allotment amount (line 25) blank or "0"?

If yes, go to 07.

If no, go to 10.

Question 07 Did you determine this FS group to be categorically eligible?

If yes, go to 08.

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If no, go to 09.

Question 08

If the FS group is 3 or more persons, it is eligible even though its net income means it will receive no allotment.

Go to 29.

If the FS group is 1 or 2 persons, enter \$10 for the monthly allotment amount (line 25). Go to 12

Question 09

This FS group isn't eligible as its net income is too high to permit an allotment.

Go to 29.

Question 10

Is the monthly allotment amount (line 25) \$1, \$3, or \$5?

If yes, go to 11.

If no, go to 12.

Question 11

EBT allotments are rounded up so that households subject to different issuance systems receive the same benefit.

If the amount is \$1, change it to \$2.

If the amount is \$3, change it to \$4.

If the amount is \$5, change it to \$6.

Go to 12.

Question 12

Is this an application (as opposed to a review)?

If yes, go to 14.

If no, go to 13.

Question 13

The amount on line 25 is the monthly allotment for which the group is eligible this month.

Go to 16.

Question 14

Did you require complete **verification** from this FS group because of its earlier refusal to cooperate in a state or federal QC review?

If yes, go to 15.

If no, go to 16.

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**Reference:** IMM I, A Nonfinancial Case Unit

Question 15

Did you receive the required verification?

If yes, go to 16.

If no, this group isn't eligible. Go to 29.

Question 16

Is the application date the 1st day of the month?

If yes, Go to 19.

If no, go to 17.

Question 17

Does the FS group contain any migrant or seasonal farm workers?

If yes, go to 18.

If no, go to 20.

Question 18

Has the migrant or seasonal farm worker participated in the FS program in the last 30 days?

If yes, go to 19.

If no, go to 20.

**Appendix References:** 17.0.0 ALLOTMENT

Question 19

Enter the monthly allotment for the initial allotment (line 26).

Go to 29.

Question 20

To prorate the allotment:

- a. Count the number of days in this month from the application date. **Include** the application date and the last day of the month.
- b. Divide the number of eligible days by the number of days in the month.
- c. Multiply this group's full month's allotment by the result of step b.
- d. Round down to the nearest whole dollar.

Enter this amount in initial allotment (line 26).

Go to 21.



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Question 28

Is the result of step 24 positive or negative?

If positive, enter the result as an underpayment on line 30. Go to 29.

If negative, enter the result as an overpayment on line 30. Go to 29.

Question 29

You have completed processing this group. To determine the review date, go to the [Review Date Unit Question 01](#).

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Question 01

Does the group consist entirely of **elderly, blind, or disabled** members where there is no earned income in the group?

If yes, review in 12 months.

If no, go to 02.

**Appendix References:** 21.03.00

Question 02

Does the food unit include a migrant or seasonal farm worker?

If yes, review in 6 months.

If no, go to 03.

Question 03

Is the food unit homeless?

If yes, review in 6 months.

If no, review in 12 months.

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01.01.00 Household Household: all persons living within or temporarily absent from the same residence (09.02.00).

01.01.01 Primary Person Primary person: the person around whom the assistance group (AG) is formed. Test other household members in relation to the primary person. There can only be 1 primary person in a determination.

01.01.02 Reserved

01.01.03 Authorized Representatives The primary person, spouse or any other responsible member of an FS household may designate an authorized representative (AR) to act on behalf of the household in making application for FS, in obtaining benefits, and/or using the FS benefits.

01.01.03.01 FS Payees  
CARES screen ACDP If an authorized representative is designated as the FS payee on ACDP, that person is designated as an alternate payee (AP) on the EBT vendor system and will be issued a WI QUEST card. The AP's name will be embossed on the permanent WI QUEST card. The primary person will not be issued a card and does not have access to the EBT account (See 24.01.02.04 within the EBT appendix 24.01.00). A legal guardian and alternate payee may also be designated FS payee with this same result discussed above.

If more than one FS payee is designated on ACDP, a QUEST card will be issued based on this hierarchy:

1. Legal guardian
2. Alternate payee
3. Authorized representative

Do not designate an individual as a FS payee on ACDP if that person is the primary person on ACPA or an authorized buyer on ACDP.

Both the designation of Authorized representative and FS Payee are made on [DES Form 2375](#) which has been updated to include both designation choices and explanations of both roles. The Authorization of Participant's Representative form must be kept in the case file.

01.01.03.02 AODA Treatment Centers An authorized representative must apply for residents of a drug & alcohol treatment center. The treatment center employs and appoints the authorized representative who receives and uses food stamp benefits for the resident. See 02.04.00.

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01.01.03.03  
Designation of Authorized Buyer  
for EBT

If the AG designates an authorized buyer (AB) for EBT, the AB, as well as the primary person or AP, will get a Wisconsin QUEST card. [DES-11847](#), Designation of Authorized Buyer for EBT, is used to make this designation. This form explains that the AB will have access to the FS benefits (See 24.01.02.03 of the EBT appendix 24.01.00). Do not designate an individual as an AB if that person is the primary person on ACPA or the FS payee on ACDP.

Do not automatically assume the AG wants an authorized representative to also be the FS payee or the AB, unless s/he specifically requests it using [DES-2375](#) or [DES-11847](#).

01.01.03.04  
Duties of the AR and Legal  
Responsibility of the food unit

Authorized representatives may also carry out responsibilities during the certification period, such as reporting changes for the food unit. Except when a drug and alcohol treatment center or a group living arrangement acts as an authorized representative, you must inform the food unit that they are liable for any overissuance that results from erroneous information provided by the authorized representative.

01.01.03.05  
IPV's as Authorized  
Representatives

Intentional Program Violators (IPVs) cannot serve as authorized representatives during the disqualification period, unless the agency has determined that no one else is available to serve as an authorized representative. See 23.02.04 for more on IPVs.

01.02.00  
Food Unit

Food unit: 1 or more persons who live in the same household and purchase and prepare food together for home consumption. This group is tested for eligibility together. See 01.04.00 and 01.05.00 for boarder and foster person exceptions. See 01.06.00 and 01.07.00 for elderly and disabled exceptions.

**Example.** These are examples of a food unit:

1. A person living alone.
2. A group of persons living together who purchase and prepare meals together for home consumption.
3. A person (or group of persons) living with others, but who usually purchases and prepares food for home consumption separately from the others.

Purchase and prepare: People living together who:

- a. Share in the cost of purchasing food.
- b. Share in the preparation of food.
- c. Eat together.

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Each person doesn't have to shop, provide money, prepare food, and eat together. Any of those activities is sufficient to include a member in purchasing and preparing food with the group.

People paying for board and persons receiving foster care are not purchasing and preparing with the primary person's food unit.

01.02.00.01  
Purchase and Prepare Exception

There is an exception to the above purchase and prepare rules for the elderly and disabled. See 01.06.00 and 01.07.00.

01.02.01  
Relationship Definitions

**Adult:** a person who is 18 years old or older.

**Child:** a person's natural, step, or adopted son or daughter, regardless of age.

**Minor:** someone less than 18 years old who is under the parental control of an adult food unit member.

**Parent:** a person's natural, step, or adoptive mother or father regardless of age. Parenthood doesn't have to be verified.

**Example.** Tim and Jane are unmarried and live together. They claim separate food unit status. Jane comes into the office and reports she had a baby. Ask Jane: "Is Tim the father?" If she says "yes", Tim is in the food unit with Jane and the baby.

If she says "no", ask: "Is Tim participating in parental decisions that affect the baby?" If she says "yes", include Tim in Jane and the baby's food unit since he is providing parental control.

If she says "no", Tim is a separate food unit, unless other relationship rules pull him in.

For example, if Tim and Jane hold themselves out to the community as husband and wife, but claim the child isn't Tim's, the spousal relationship rule pulls Tim into Jane's food unit.

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**Parental Control:** an adult providing parental control acts as a parent would toward the minor child. A minor child is considered under parental control if the child is financially or otherwise dependent on a member of the household. Foster care providers do not meet the parental control definition.

**Sibling:** brother, sister, half-brother, half-sister, stepbrother, stepsister, and siblings related through adoption.

**Spouse:** Someone who either:

1. Is married to another as defined under Wisconsin law.
2. Lives with another while holding him/herself out to the community with the other as husband and wife. Holding out to the community means representing themselves as married to friends, relatives, neighbors, or trades people.

**Step-parent:** The spouse of a parent who is not the biological parent of a child. A step-parent that is divorced from a biological parent is no longer considered a step-parent.

01.02.02  
Relationship Rules

Put the following in the same food unit, even if they don't purchase and prepare meals together.

1. Spouses and spouses.
2. Adult children under the age of 22 who are living with his or her natural, adoptive, or step-parent.
3. Parents and minor children.
4. Adults and minor children under the age of 18 years, over whom they are exercising parental control. See definition of parental control at 01.02.01.

01.02.02.01  
Relationship Rules Exceptions

A minor, living with his or her own spouse or child and with an adult who is not the minor's parent, is not considered under the control of the adult and can be a separate FS group if they purchase and prepare separately.

**Example:** For example, a 17-year old living with an aunt. The 17-year old has a 1-year old son. If the 17-year old and the son purchase and prepare separately from the aunt, they can be their own FS group.

01.03.00  
FS Group

A FS group is that person or persons who meet the FS nonfinancial eligibility requirements. All members of a FS group must be members of the same food unit. Test them together financially. There are 3 types of FS group: **categorically eligible, mixed categorically eligible, and standard.**

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01.03.01  
Categorically Eligible

There are 2 types of categorically eligible groups: categorically eligible and mixed categorically eligible. If any member of a food unit receives or is authorized to receive any of the following assistance types in a month, then the entire group is categorically eligible:

- 1.W-2 payment positions (all)
- 2.W-2 case management (all)
- 3.W-2 Caretaker of an Infant
- 4.W-2 Trial Job
- 5.Kinship Care
- 6.Caretaker Supplement (CTS)

7.Child Care (CC) Assistance eligibility (all). One need not necessarily have a CC authorization to be considered receiving this TANF funded assistance. Rather, being found eligible for CC is enough to confer categorical eligibility for the AG. If a CC AG is open in CARES and contains a FS AG member, then the FS AG is cat. eligible.

8.Job Access Loan. JAL's should be considered categorically eligible if the loan was received in the current certification period.

9. Children First
10. Welfare to Work (WTW)
11. Tribal TANF payments
12. Workforce Attachment and Advancement (WAA)

**Note:** The WAA program ended 12/31/03 and there will be no more people enrolled as of 06/30/04.

FS groups in which all members receive SSI are categorically eligible.

Wisconsin no longer administers a General Relief (GR) program. Therefore, GR or Interim Assistance (IA) are not considered in determining categorical or mixed categorical eligibility for individuals.

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Someone eligible for SSI but not receiving payments due to recoupment is an SSI recipient.

The FS group isn't categorically eligible if any member of its food unit loses FS eligibility because s/he:

1. Was disqualified for an IPV or,
2. Was disqualified due to a drug felony sanction.

TANF or SSI recipients sanctioned for IPV or Drug Felony maintain individual categorical eligibility for resources only. Resources are excluded and not deemed. Income continues to be deemed.

Don't test a categorically eligible FS group against the FS asset, gross income and net income limits. Calculate the group's net income to determine its allotment amount.

Continue to certify a categorically eligible FS group when their allotment is zero.

01.03.02  
Mixed Categorically Eligible

Mixed Categorically eligible groups consist of at least one SSI recipient and at least one non-SSI, non-TANF funded recipient. Someone eligible for SSI but not receiving payments due to recoupment is an SSI recipient.

Do not count the assets of an SSI member of a mixed categorically eligible FS group. Count the assets of any non-SSI member of a categorically FS group. FS groups which include an SSI member should not be tested against the gross income test.

Wisconsin no longer administers a General Relief (GR) program. Therefore, GR is not considered in determining categorical or mixed categorical eligibility for individuals.

**Example 1.** An SSI recipient lives by himself. He is categorically eligible. Don't count his assets and don't test his income against the gross or net income tests.

**Example 2:** Latoya is an SSI recipient is in a FS group with Reginald, who doesn't get SSI or a TANF funded service. The FS group is mixed categorically eligible. Count Reginald's assets, but not Latoya's. Don't count the group's income against the gross income test.

Don't continue to certify a mixed categorically eligible FS group when their allotment is zero.

01.03.03  
Standard FS Group

A standard FS group is one that isn't categorically or mixed categorically eligible. The group must pass all regular financial tests. Discontinue a standard FS group when their allotment is zero.

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01.03.04  
Dual Membership & Duplicate  
Benefits

A person can't be a member of more than 1 food unit and 1 FS group in the same month except:

1. Residents of shelters for battered women and children (02.05.00).
2. Persons moving to Wisconsin from a state issuing FS on a fiscal month basis. A fiscal month cycle provides benefits from a date in one month to a corresponding date in the next month. California (Fresno), Illinois, Massachusetts, Nevada and South Dakota issue on a fiscal month cycle. Wisconsin issues on a calendar month cycle.

**Example.** In early October a FS group moves to Wisconsin from Illinois. Illinois issues FS on a fiscal month cycle. The group last got FS in September from Illinois. It was an allotment for the last half of September and the first half of October. The FS group applies in Wisconsin in October. The last day the group was an Illinois FS group was September 30.

01.04.00  
Boarder

Boarder: anyone who resides with a household and:

1. Pays reasonable compensation (01.04.04) to the household for lodging and meals and,
2. Is in the food unit from which s/he purchases his/her meals and,
3. The food unit's primary person asks s/he be included.

Boarder group: all the persons in a household who are included in the same payment for meals. This applies whether each person actually makes part of the payment or one or more persons makes the payment on their behalf. Include spouses and minor children of a boarder in the same boarder group, even if they claim they are making separate payments.

01.04.01  
Child & Parent

Children and parents living together aren't boarders if the child or parent is paying board to the other.

01.04.02  
Spouses

A spouse who lives with a spouse and pays board to his/her spouse is not a boarder (01.02.02).

01.04.03  
Siblings

A sibling who lives with a sibling and pays board to that sibling is not a boarder (01.02.01).

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01.04.04  
Reasonable Compensation

Reasonable compensation means the person pays enough money for meals to qualify as a boarder.

Compute reasonable compensation based on the number of meals a day the person pays for. A boarder group who pays for more than 2 meals a day pays reasonable compensation when they pay an amount that equals or exceeds the Allotment Maximum (Allotment Unit). The Allotment Maximum is based on the size of the boarder group.

A boarder group who pays for 2 meals or less a day pays reasonable compensation when they pay an amount that equals or exceeds 2/3 of the allotment maximum (Allotment Unit) for the size of the boarder group.

01.04.05  
Income & Assets

Persons paying less than reasonable compensation are not boarders. Count income and assets of people who are paying less than reasonable compensation. Don't count a boarder's income and assets unless s/he is a food unit member.

01.05.00  
Foster Care Recipients

A foster person is a person for whom foster care is being paid. They are placed in the homes of relatives or other individuals by a federal, state, or local government foster care program. This determination is regardless of the funding source or the age of the foster person. Include a foster care recipient in the food unit only when the primary person asks that the foster care recipient be included. The foster care recipient may belong **only** to the food unit s/he receives the foster care and meals from.

01.05.01  
Foster Payment

A foster care provider is the person providing foster care for a foster person. Money paid for the care of a foster care recipient is income of the recipient, not the provider.

01.05.02  
Income & Assets

Count the foster care recipient's assets and income only if the foster care recipient is in the food unit.

01.05.03  
Adoption Assistance

The child must always be included in the FS Group.

01.06.00  
Elderly & Disabled

Use the elderly and disabled definitions to determine food unit membership, restaurant eligibility (02.07.00), student status, and medical, shelter, and utility deductions.

CARES screen ANDI

Food stamp groups which contain an elderly or disabled member do not need to pass the gross income test but must pass the net income and allotment tests.

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01.06.01  
Definitions

Elderly member: a household member 60 or older.

Disabled member: a household member who receives disability or blindness benefits from any of these programs: SSA, MA, SSI or SSI related MA, Railroad Retirement Board (RRB), or VA.

If a member is certified as disabled or blind by one of the above agencies, but hasn't received the initial benefit, consider him/her disabled.

Someone receiving retirement benefits from the RRB and found eligible for Medicare by the RRB is disabled. A member who receives GA and meets the SSI program disability criteria is also disabled.

01.06.02  
Disabled Veterans

The definition of a Disabled Veteran is:

- 1) A veteran with a disability rated by the VA as total or paid as total by the VA, or
- 2) A veteran or surviving spouse of a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound, or
- 3) A surviving child of a veteran and considered by the VA to be permanently incapable of self-support, or
- 4) A surviving spouse or a surviving child of a veteran and considered by the VA to be entitled to compensation for a service-connected death or pension benefits for a non-service connected death and has a disability considered permanent by SSA.

01.07.00  
Unable to Purchase & Prepare  
CARES screen ACPA

Household members and their spouses are a separate food unit even if they're living and eating with others if all 3 of the following are true.

1. They're age 60 or older.
2. They can't purchase and prepare their own meals because of either:
  - a. A disability the SSA considers permanent.
  - b. Some other permanent physical or mental non disease-related disability.
3. The gross monthly income of the persons with whom the elderly and disabled person(s) (and spouse, if any) resides doesn't exceed 165% of the poverty level (18.02.00) for the number of others in the household.

When computing gross income don't include any income of the elderly and disabled person or his/ her spouse.

In CARES, these Assistance Groups (AGs) are called **FS E** AGs. This category is contrasted with the normal **FS** category.

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01.08.00  
Attendant/Housekeeper

An attendant/housekeeper is a person who meets **both** of these conditions. S/he:

1. Lives in the home of the person s/he provides child, medical, or nursing home care, or similar services to.

If the person receiving care lives in the attendant's home, an attendant/housekeeper situation does not exist.

2. Isn't a parent, child, sibling or spouse of anyone in the same food unit as the person s/he is caring for.

01.09.00  
Supplementing Person Adds

When a FS household reports the gain of a new member, make this addition to the household effective the first day of the month *following* the month in which the person add is reported to the FS agency if required verifications are received within 10 days of the request.

If verifications are not received within 10 days of the request and the case hasn't closed, make the change effective the first of the month following the month the verifications are received.

Supplement benefits from the first day of the month after the person add is reported. Do not prorate benefits.

**Examples:** Baby is born June 25, and is reported June 27. Verifications are received on June 29. Supplement FS from July 1.

Baby is born June 28, and is reported July 6. Verifications are received July 24th. Supplement FS from August 1.

Uncle Fred joins the FS household June 1, and it is reported June 21st. Verifications are received July 2nd. Supplement FS from August 1.

For future benefits determine eligibility and benefits prospectively.

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01.09.01  
Ineligible or Sanctioned Person  
Adds

Persons being added following a disqualification for these reasons should also be added effective the first of the month following the ineligibility period if they have re-requested FS in the last month of the sanction:

1. failure to comply with FSET requirements ([FSET Manual](#)),
2. failure to comply with other FS program requirements, or
3. ineligible aliens (04.04.00).

If a formerly ineligible individual applies for food stamps and is found eligible after the month in which the sanction ends, supplement benefits from the first day of the month following the re-request.

Individuals with a sanction due to IPV (6.1.1) do not need to re-request FS after the sanction ends. They should automatically be included in the FS AGthe first of the month following the ineligibility period.

**Example:** Mary is in a FS Unit with her boyfriend. Mary is sanctioned from FS because of failure to cooperate with FSET participation requirements. Mary's boyfriend continues to receive FS. She reports the birth of her baby on June 5 and requests FS. This makes her exempt from FSET and the sanction ends. (8.6.1.1) The baby is supplemented as of July 1. Mary is exempt from FSET as of June 5. Mary is eligible for FS as of July 1 also.

**Example:** Mark, his wife Barbara and their two children are in the FS household. Mark is ineligible for FS due to non-cooperation with child support. On June 29 Mark reports to his ES worker that the Child Support Agency considers him in compliance with CS, and the worker verifies the information through KIDS or the local Child Support Agency. Supplement Mark as of July 1.

**Example:** Paul is in a FS household but he is an ineligible student. He graduates on August 10th becoming eligible for FS. He reports the information to his ES worker on September 5th. Supplement Paul as of October 1.

01.10.00  
Strikers

A striker is anyone involved in either of the following, whether or not s/he is in a collective bargaining unit:

1. A strike or concerted stoppage of work by employees against their employer. This includes a stoppage because a collective bargaining agreement expired.
2. A concerted slowdown or interruption of operations by employees against their employer.

A person is a striker whether or not s/he personally voted for the strike. Strikers are not exempt from Work Participation requirements.

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01.10.01  
Striker Exceptions

None of the following is a striker:

1. An employee affected by a lockout.
2. Persons exempt from the FS work requirements except those exempt solely because they're employed. For example, a caretaker of a child under six years old is not a striker. (See the [FSET Manual](#) 4.4.0)
3. Any employee of the Federal Government, the State or any political subdivision engaged in a work related strike. S/he has voluntarily quit his/her job without good cause.

01.10.02  
Termination of a Strike

A strike has ended when:

1. The employer notifies its striking employees that it has hired or is hiring replacement workers.
2. All or some of the employees can't return to the same job they held with that employer before the strike.
3. The employees return to work.

01.10.03  
Eligibility on the Day Before a Strike

To be eligible, a FS group with a striker must have been eligible on the day before the strike began.

If the case was open for FS on that date, it remains eligible if it continues to meet all criteria.

If the case wasn't open on that date, determine if the case could have been eligible on the day before the strike. Assume the application date is the day before the strike began and the strike never occurred. Use the [Striker Evaluation Form](#) Deny an application if the group would have been ineligible the day before the strike.

01.10.04  
Pre-Strike Income

Determine the FS group's eligibility and allotment. Add the highest of the 2 following incomes to the income month's income of the other FS group members:

1. The striker's income on the day before the strike ("pre-strike income"), or
2. The striker's income on the date of the current determination ("current income") (01.10.05).

Determine the striker's pre-strike income by adding:

1. All unearned income s/he would normally expect to have received that month, *and*
2. All earned income s/he would have received in a month using the wage rate s/he was earning on that date. Allow the 20% earned income deduction.

01.10.05  
Current Income

Determine the striker's current income as you would any other person's regular income.

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02.01.00  
Institution

An institution is any establishment that provides care and/or services above and beyond meals and lodging.

A resident of an institution is anyone who receives most of his/her meals as part of the institution's normal operation.

Residents of institutions are ineligible for FS.

Some facilities appear to be institutions but are not. Persons living in these licensed or authorized facilities may be eligible for FS:

1. Shelters for the homeless,
2. Group living arrangements,
3. Drug and alcohol addiction treatment centers,
4. Shelters for battered women and children,
5. Section 202, 221(d)(3), and 236 housing, and all residents of any federally subsidized housing for the elderly.

02.02.00  
Shelters for the Homeless

Determine eligibility for a homeless shelter resident as if s/he is living independently. Homeless shelters include transitional and temporary housing.

**Transitional housing** helps homeless people move to independent living in a reasonable amount of time. It includes housing designed to serve deinstitutionalized homeless individuals, homeless people with mental disabilities, and homeless families with children.

**Temporary housing** includes housing commonly known as a "rooming house".

The homeless person may use the stamps to purchase prepared meals from authorized shelters, restaurants, (02.07.00) and grocery stores.

An authorized shelter may not also be the person's authorized representative. See 16.07.00 for instructions on shelter expenses.

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02.03.00  
Group Living Arrangement

A group living arrangement is a public or private nonprofit residential setting serving no more than 16 residents. It must be certified by the appropriate state or local agencies. An example may be a Community Based Residential Facility (CBRF).

Any blind or disabled (01.06.01) resident of a group living arrangement may be eligible.

The resident may purchase meals from the group living arrangement when FNS authorizes the facility to accept and redeem FS.

Determine the resident's eligibility as a 1 person FS group when the facility applies as an authorized representative. If the resident applies in his/her own behalf, determine the group size according to food unit rules (01.02.00).

Allow the appropriate utility allowance for a resident of a qualified group home if the utilities are identified separately. See 16.08.00 and 18.03.00. Residents have no limit on the amount used as a shelter deduction because they are disabled. Allow shelter and medical deductions for room and medical costs that can be separately identified.

Sometimes room, meals, and medical costs can't be identified separately. If the cost of room and meals are combined into one amount, the amount of the payment which exceeds the maximum allotment for a one-person household can be used as the shelter deduction.

If the amount paid for medical and shelter cost cannot be separately identified by the group home, no deduction is allowed for the cost.

**Example 1:** Bev pays the CBRF \$500 and receives shelter, meals, and medical care from the CBRF. Separate costs can't be identified. Do not allow a cost.

**Example 2:** Shirley is in a CBRF and her room and meals costs are combined into one amount of \$600 per month. Separate costs can't be identified. A 1 person allotment is \$139.  $\$600 - \$139 = \$465$ . The shelter expense is \$461.

Apply these procedures whether the resident makes his/her own payments or has a protective payee making payments from the resident's funds.

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**Residential Care Apartment Complexes (RCAC):** An RCAC is a place where 5 or more adults reside that consists of independent apartments, each of which has an individual lockable entrance and exit, a kitchen, including a stove, an individual bathroom, and sleeping and living areas. Members of an RCAC are ineligible for FS, unless they are blind or disabled.

If an RCAC resident is blind or disabled, treat them as you would a member of a group living arrangement (GLA). They can apply on their own, designate an authorized representative, or use one provided by the facility.

**Adult Family Home (AFH):** An AFH is a type of group living arrangement where care and maintenance above the level of room and board (but not including nursing care) are provided in a private residence by the care provider whose primary domicile is this residence for 3 or 4 adults, or more adults if all of the adults are siblings, each of whom has a developmental disability.

The individual in an AFH who is receiving foster care or paying board may be in their own food stamp group if they wish. See FSH appendix 01.02.00.

02.03.01  
Leaving a group living  
arrangement

Residents of a group living arrangement that move out before the 16th of the month should have half of their food stamp allotment for the month returned by the authorized representative.

02.04.00  
Drug & Alcohol Treatment  
Centers

Private, nonprofit centers providing treatment or drug and alcohol addiction are not institutions.

Publicly operated mental health centers certified as drug and alcohol addiction treatment and rehabilitation programs aren't institutions. DCS/BCP certifies these facilities.

An authorized representative must apply for these residents. The center employs and appoints the authorized representative. The center may choose a representative to be the food stamp payee or an authorized buyer. S/he will receive a Wisconsin QUEST card to access food stamp benefits on behalf of the resident. The center may also choose the resident to be the sole QUEST cardholder as the primary person of the case. The QUEST cardholder may purchase food for meals or meals prepared or served by the center, or both.

Determine the eligibility of a resident of a drug and alcohol addiction treatment center as a one person FS group, unless the resident is a parent whose child(ren) resides with them at the center. Include any child(ren) residing with their parent(s) at the center, whether or not the center provides the majority of the child(ren)'s meals, when determining eligibility.

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02.05.00  
Shelters for Battered Women &  
Children

A shelter for battered women and children is a public or private nonprofit residential facility serving battered women and their children. If a facility serves persons other than battered women and children, a portion of the facility must be set aside to serve only battered women and children on a long-term basis.

Shelters for battered women and children may act as the authorized representative for FS applicants and recipients. Document the basis that the facility is eligible to participate. Any shelter for battered women and children authorized by FNS to redeem food stamps at wholesale stores is eligible.

02.05.01  
Shelter Resident Eligibility

Determine eligibility for shelter residents using only their income and assets. Include only expenses they are responsible for. Count room payments to the shelter in the food unit's shelter expenses.

02.05.02  
Dual Food Units

A shelter resident may be a member of a household food unit before entering the shelter. No one may be a member of 2 food units simultaneously. A resident of a shelter for battered women and children may be eligible as a food unit in the shelter. This occurs when the earlier food unit contains the person who allegedly abused the resident.

They are food units separate from:

1. Other residents of the shelter and
2. Any food unit to which they belonged at the time they entered the shelter.

An asset is unavailable to a resident when:

1. The resident and member of the former household jointly own the asset **and**
2. Access to it is dependent on the agreement of the member of the former household.

Review the former group's eligibility and allotment. Re-test the former group and show the change in FS group composition. See IMM I,B.

02.06.00  
Section 202 & 236 Housing

Exempt residents of any federally subsidized housing for the elderly and disabled from the "residents of institutions" policy (02.01.00).

HUD funds some housing units primarily for the aged and disabled. This housing is called Section 202, Section 221(d)(3), and Section 236 housing. These housing units provide meals if the resident can't get them without help.

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Residents of 202/236 housing may still be eligible for food stamps. If you are unsure if a residence is an institution or 202/236 housing, contact the Wisconsin Housing and Economic Development Authority (WHEDA) at (608) 266-7884 to verify.

02.07.00  
Restaurants

Elderly, disabled and homeless people may use FS at authorized restaurants. This includes public and private nonprofit meal providers such as soup kitchens and shelters.

Restaurants must obtain a state contract from the Bureau of Management and Operations (BMO). BMO contracts with those restaurants who qualify.

The Bureau of Field Operations is the contact agency for authorized restaurants that have signed the contract.

Elderly, disabled and homeless people will receive a special FS ID card (IMM IIA). They are coded with the letters "CD". These cards carry an expiration date that is the same as the next scheduled review date. Clients must present the ID card to the restaurant. This establishes the right to use FS for meals purchased from the restaurant.

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03.01.00  
Description

The Great Lakes Inter-Tribal Council and the Menominee Tribe administer the program. Eleven tribes distribute commodities.

A person may receive commodities from one of these tribes if s/he is eligible and:

1. Is an Indian living in one of the counties served by that tribe (03.03.00), or
2. Lives within the geographical boundary of the tribe's reservation. This applies whether or not s/he is an Indian.

03.01.01  
Denial to FS IPV

Deny Food Distribution benefits to persons ineligible for FS because of an IPV. DES sends a list of IPV disqualified persons to the Great Lakes Inter-Tribal Council and the Menominee Tribe monthly.

03.02.00  
Choice of Programs

Eligible persons must choose either the FS or commodities program. They can't participate in both. They may change their program choice, but must tell their current agency of the desired change.

Deny FS to any FS group when a member receives commodities from a Food Distribution program.

03.02.01  
Preventing Dual Participation

Inform applicants that participation in both programs is prohibited.

Don't verify if an applicant tells you s/he didn't receive commodities in the current or preceding month, and won't receive them next month. Only verify if the report is questionable.

If the report is questionable or s/he received commodities in one of those months:

1. Determine the month(s) s/he received, or will receive commodities.
2. Determine which tribe issued the commodities.
3. Contact the tribal Food Distribution Program staff to determine when the commodities were or will be received.
4. Inform the tribal staff of the FS request, the likely disposition of the application, and first FS issuance date.
5. Remind the FS group that it is illegal to receive both FS and Food Distribution benefits in the same month.
6. Document your performance of these 5 steps in the case record.

03.02.02  
Switching Programs

When someone switches between programs, don't issue the initial benefit until the other program's benefits stop.

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03.02.02.01 Deny FS if an applicant has already received commodities in the application month. If it's too late to stop commodities participation for the month after application, deny the FS application.

03.02.02.02 Deny FS  
FS Discontinuance Date

When a FS recipient wishes to begin participating in the Food Distribution Program:

1. **Before** adverse action, drop the FS group from FS at the end of the month.
2. **After** adverse action, drop the FS group from FS at the end of the next month.

03.03.00 Tribal Agencies & Counties Served

**Tribal Agency**  
Address

Counties Served

**Bad River**  
PO Box 55  
Odanah, WI 54861

Ashland, Iron

**Forest County Potawatomi**  
PO Box 340  
Crandon, WI 54520

Forest, Marinette

**Lac Courte Oreilles**  
13394 W. Trepania Rd. Bldg 1  
Hayward, WI 54843

Sawyer, Rusk, Washburn

**Lac du Flambeau**  
PO Box 67  
Lac du Flambeau, WI 54538

Iron, Vilas, Price

**Menominee Nation**  
PO Box 520  
Keshena, WI 54135

Menominee

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**Oneida**

Oneida Center for Self Sufficiency  
PO Box 365  
Oneida, WI 54155

Brown, Outagamie

**Red Cliff**

PO Box 529  
Bayfield, WI 54814

Bayfield, Douglas

**St. Croix**

Star Rd.  
Webster, WI 54893

Barron, Polk, Burnett, Washburn

**Sokaogon Chippewa Community, Mole Lake**

3051 Sand Lake Road  
Crandon, WI 54520

Forrest, Langlade, Oneida

**Stockbridge-Munsee**

PO Box 70  
Bowler, WI 54410

Shawano, Menominee

**Ho Chunk Nation**

W9855 Airport Road  
Black River Falls, 54615

Adams, Columbia, Clark, Crawford, Dane, Eau Claire, Jackson,  
Juneau, LaCrosse, Marathon, Monroe, Portage, Sauk, Shawano,  
Trempeleau, Wood

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04.01.00  
Citizens

To meet the citizenship and alien requirement for FS, a person must be one of the following:

1. A citizen of the US. A US citizen is anyone:
  - a. Who was born in the US. Geographically, the US is the continental US, Alaska, Hawaii, Puerto Rico, US Virgin Islands, and Northern Mariana Islands, including Guam.
  - b. Who is a naturalized citizen of the US.
2. A person born outside of the U.S. to, or adopted by, at least one U.S. citizen. They are sometimes referred to as a "derivative citizen."
3. An alien who meets the criteria in 04.02.00.

04.01.01  
Qualified Alien Verification

See 22.02.04 for verification policy on citizenship and aliens and the Alien Eligibility section of [Appendix 25 Processing Guidelines](#) for charts that explain alien eligibility based on immigration status. You should not engage in any independent verification and should continue to comply with the verification determination made by the Systematic Alien Verification for Entitlements ([SAVE](#)) [Program User Manual M-300 \(Rev 09/00\)](#).

See also the [Travel and Identity Documents Guide](#) for explanations of the types of INS authorization documents. This document is a pdf document that was scanned. To view it correctly, after opening it in Adobe Acrobat, select View>Rotate Counterclockwise. Or, choose File>Print to print the color pamphlet.

04.01.02  
Pending Citizenship Verification

An alien is ineligible until acceptable documentation is provided unless:

CFR 273.2(f)(1)(ii)(B)

1. The agency has submitted a document provided by a household to INS for verification. Pending such verification, the agency cannot delay, deny, reduce or terminate the individual's eligibility for benefits on the basis of the individual's immigration status, or
2. The applicant or the agency has requested qualifying quarter information from SSA. SSA has responded that the individual has fewer than 40 quarters but is investigating to determine if more quarters can be determined. The agency must certify the individual pending the results up to 6 months from the date of the original determination of insufficient quarters, or
3. The applicant or agency has requested verification from a federal agency for verification of the alien's status. The agency must certify the individual pending the results up to 6 months from the date of the original determination of insufficient quarters.

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04.02.00  
Aliens

A legal alien is not eligible for FS until s/he becomes a citizen, unless they meet one of the criteria in chart 1 of the Alien Eligibility section of [25.01.00](#).

Aliens may change their category of eligibility over time. Except in the case of naturalization, the ANAR alien status registration code should remain the same as the one they initially had as an entry code.

04.02.01  
Reserved

04.02.02  
Work Quarter Eligibility

Legal permanent resident aliens admitted under the INA, who have worked for 40 qualifying quarters are eligible. There is no time limit on this category of eligibility.

A qualifying quarter includes:

- a. one worked by a parent of an alien before the alien reached his/her eighteenth birthday, including those quarters worked before the alien was born;
- b. one worked by a spouse of an alien during their marriage if the alien remains married to the spouse or the spouse is deceased.

Each person in the applying household is considered an applicant. Therefore, each spouse can claim the quarters of the other spouse, and the children can claim the quarters worked by their parents.

**Example:** Joseph and Mary and their minor child (Jesus) apply for benefits. They are all immigrants, and they have been in the U.S. for five years. Joseph and Mary each claim 20 quarters of work. The entire household can be certified.

Beginning 1/1/97, a quarter in which the alien received Federal means-tested assistance is not counted as a qualifying quarter.

Count both qualifying quarters of work covered by Title II of the Social Security Act, and qualifying quarters of work not covered by Title II.

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04.02.02.01  
Disclosure of Work Quarter  
Information

The county/tribal agency may request information from the SSA about work history for non-covered employment as well as covered employment.

DXQR, DXQC

If you are unable to determine work quarters through the SSA automated system, you may accept the applicant's sworn statement of sufficient work, pending verification, provided the applicant has been in the country sufficient time to earn the quarters (totaling any time from the employed applicant and parent and spouse).

The SSA is authorized to release work quarter information on an alien, an alien's parents or spouse to a county/tribal agency (not applicant) for the purpose of determining eligibility, even if the parent or spouse cannot be located or refuses to sign a release statement.

You may also find work quarter information through CARES data exchange screens. To verify alien's work quarters information you can request it in CARES on DXQR. 48 hrs later it will be available on DXQC.

04.02.03  
Military Connection Eligibility

Qualified aliens who are honorably discharged veterans and who fulfill minimum active duty service requirements in the U.S. Armed Forces, or who are the spouse, unmarried depended child, or unremarried surviving spouse of such a veteran or active duty personnel are eligible for food stamps with no time limit exception.

A veteran is a person who was honorably discharged after:

1. serving for 24 months in the U.S. armed forces, **or**
2. serving for the period for which the person was called to active duty in the U.S. armed forces, **or**
3. serving in the Philippine Commonwealth Army or as a Philippine Scout during WW II, as described in title 107, 38 U.S.C.

A veteran is also a person who died during active duty in the U.S. armed forces.

An unmarried surviving spouse of a veteran or active duty person is defined as:

1. a spouse who was married to the deceased veteran for at least one year, or
2. a spouse who was married to the deceased veteran before the end of a 15 year time span following the end of the period of military service, or
3. a spouse who was married for any period to the deceased veteran and a child was born of the marriage or was born before the marriage.

04.02.03.01  
Battered Alien Eligibility

An alien who is the spouse or dependent unmarried child of a U.S. citizen or alien who has been battered or subjected to extreme cruelty under the following criteria is eligible:

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1. Aliens (adults or children) who have been battered or subjected to extreme cruelty in the U.S. by a spouse or a parent, or by a member of the household of the spouse or parent who has failed to intervene to stop the battery or extreme cruelty, but only if there is a substantial connection between such battery or cruelty and the need for benefits.

2. Aliens whose child or children have been battered or subjected to extreme cruelty in the U.S. by a spouse or parent of the alien, or a member of the alien's household, and the other parent failed to intervene in the battery or extreme cruelty, and the alien did not actively participate in the battery or cruelty, but only if there is a substantial connection between such battery or cruelty and the need for benefits.

3. Alien children whose parent has been battered or subjected to extreme cruelty in the U.S. by the parent's spouse, or by a member of the spouse's family residing in the same house-hold as the victim parent if the spouse consents to or accepts such battery or cruelty, but only if there is a substantial connection between the battery or extreme cruelty and the need for the public benefit sought.

Do not apply this section if the person responsible for the battery or extreme cruelty continues to reside in the same household or FS group as the person subjected to the battery or cruelty.

04.03.00  
State Option Food Stamp Program  
(SOFSP)

Effective August 1, 1998, Wisconsin issued benefits to aliens who were made ineligible for FS under sections 402 and 403 of the Personal Responsibility and Work Opportunity Act (PRWORA). See the first chart of the Alien Eligibility section of [Appendix 25](#) for more information on Alien Eligibility for FS.

CARES is programmed to make these individuals eligible. It will not be apparent on CARES whether the alien is receiving federal or state funded FS, as long as status codes, dates of entry, and birth dates are entered correctly.

04.04.00  
Ineligible & Illegal Aliens

Ineligible aliens include:

1. Visitors and tourists.
2. Diplomats and others in Foreign Service.
3. Persons illegally in the US.
4. Students with student visas.
5. Aliens whose status is questionable or unverified.
6. Aliens who have applied for eligible immigration status but not been approved (except for battered spouses and children).

Failure to verify alien status or a suspicion that an applicant may be here illegally isn't enough reason for a report to INS. Failure to verify alien status means the person is ineligible, not necessarily illegal.

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**Example:** Jack Nicholson is a non-U.S. citizen and applied for asylum. While his case is pending, he is an ineligible alien. If he is granted asylum, he may apply for food stamps and be considered a qualified alien.

04.05.00  
Immigration & Naturalization  
Service

There must be an allowance for "non-applicant" status to encourage application for potentially eligible household members without having to provide an SSN or alien documentation for household members that aren't requesting eligibility.

Local agencies are prohibited from contacting INS regarding the alien status of a household member who is not requesting eligibility unless the worker "knows" that the alien is in violation of INS law. "Knowing" is defined as having a determination of the INS or the Executive Office of Immigration Review, such as a Final Order of Deportation. Although an agency may have contact with, or be aware of, the presence of "undocumented" aliens, it may be quite unusual for a local agency to actually "know" that an alien is not lawfully present in the U.S.

USDOJ Immigration & Naturalization Service  
10 W. Jackson Blvd.  
Room 222  
Attn: Immigration Status Verifier  
Chicago, IL 60604

Telephone (312) 385-1806  
Fax (312) 385-3409

See 22.02.04 for information on Alien Eligibility and Citizenship Verification.

04.06.00  
Gaining Citizenship

At application and review, aliens must be asked if they have become citizens. If an alien becomes a citizen, end date the alien sequence on CARES screen ANAR after verifying citizenship. This automatically updates the individual's citizen Y/N switch on ANDA to Y.

04.06.01  
Derivative Citizenship

A child born outside of the US automatically becomes a citizen of the US when **ALL** of the following conditions have been fulfilled:

ANAR

1. At least one parent of the child is a citizen of the US, whether by birth or naturalization, and
2. The child is under the age of eighteen years, and
3. The child is residing in the US in the legal AND physical custody of the citizen parent pursuant to a lawful admission for permanent residence.

If a child becomes a derivative citizen, revise CARES screen ANAR for the child.

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05.01.00  
Requirements

A household participating or applying for FS must provide the SSN of each household member. Members without a SSN must apply for one before certification. If anyone has more than one number, the group must provide all numbers.

Explain that failure to provide a SSN will disqualify the person without the SSN. Allow the SSN applicant to participate on a month by month basis, while awaiting receipt of the SSN. S/he must provide the SSN or proof of application within 30 days of the FS application.

A completed Form SSA-2583 (Message from Social Security) is proof of application for a Social Security Number for a newborn FS group member.

05.02.00  
Expedited Service

FS groups that apply on or before the 15th of the month and are eligible for expedited issuance must receive the initial allotment within 7 calendar days of application (IMM IA, Ch 15).

They must furnish a SSN or apply for one for each person before benefits can be issued. They do not have to provide verification of SSNs in those 7 calendar days, but they must furnish a SSN for each participating member or apply for one before the second month's benefits can be issued.

All FS groups that apply **after** the 15th of the month and who are eligible for expedited issuance must receive the prorated initial allotment and next month's allotment within 7 calendar days from application.

They must furnish a SSN or apply for one for each person before benefits can be issued. They do not have to provide verification of SSNs in those 7 calendar days, but they must furnish a SSN for each participating member or apply for one before the third month's benefits can be issued.

05.03.00  
Failure To Comply

Providing an SSN is voluntary, but if an individual applying for FS refuses to provide an SSN, they will be denied and their income and assets will be deemed to the group. Any group member who does not provide a SSN is ineligible. The only exception is if there is good cause (05.03.02 ) for not providing it. Disqualify only the person without the SSN, not the entire FS group.

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05.03.01  
Newborn Members

For a newborn member, verify the SSN or that an application for an SSN has been made. Don't deny benefits pending issuance of an SSN if you have documented an SSN application has been made. A parent of a newborn may begin an SSN application while still in the hospital.

A completed Form SSA-2583 (Message from Social Security) is proof of application for a Social Security Number for a newborn FS group member.

If the group fails to provide an SSN or fails to apply for an SSN, review the good cause exceptions (05.03.02). Only fail the baby for FS benefits if the AG refuses to provide an SSN for the baby.

05.03.02  
Good Cause

Use information from the FS group member, the SSA, your agency and any other sources to determine good cause. If the member has applied for a SSN, s/he satisfies the requirement.

Apply good cause if the client makes every effort to supply the information timely.

If s/he can show good cause, allow participation on a month by month basis.

05.03.02.01  
Religious Exception

If a FS applicant refuses to provide an SSN for him or herself and/or any other household member based on a sincere religious objection, allow him or her and all otherwise eligible members of the FS group to received FS. Enter "Y" to "social security cooperation " on ANDC.

You may check with the SSA or query whether a SSN already exists for the person, and use any existing SSN for verification and matching purposes without further notice to the FS household member. Enter the SSN on ANID.

Restore benefits to any such groups or members back to one year prior to the date the group or person was denied benefits, or one year prior to the date the agency learned of this policy whichever is later in time.

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06.01.00  
Disqualification

A person commits an Intentional Program Violation (IPV) when s/he intentionally does one of the following to become eligible for, increase, or misuse FS benefits:

1. Makes a false or misleading statement; or
2. Misrepresents, conceals or withholds facts.  
If the person misrepresents information in order to receive multiple FS benefits simultaneously, see 06.01.02
3. Uses food stamps to purchase drugs or items for which they are not intended.

Administrative hearings or state or federal convictions determine disqualification (IMM, II D).

Anyone who signs a waiver of the administrative hearing or a pre-trial disqualification agreement admits to IPV.

06.01.01  
Period of Ineligibility

The following sanction periods are for IPV's committed after 12/01/96. Anyone found guilty of or who admits to IPV is ineligible for:

1. One year for the first violation.
2. Two years for the second violation or a first violation involving drugs.
3. Permanently for the third violation or for any violation involving the use of \$500 or more worth of FS for purposes other than which they are intended. Also, individuals found by a court to have used or received benefits in a transaction involving the sale of firearms, ammunition or explosives are permanently ineligible to participate in the FSP upon the first offense.

Only the person is ineligible, not the entire FS group.

Begin the period of ineligibility in the first possible payment month following the date the person receives written notification of the penalty, the hearing decision, or within 45 days of the court decision. Begin the ineligibility period in the first possible payment month regardless of whether the person becomes a non-participant or remains in the FS group. Do not pend the entire disqualification period until they reapply.

If the non-participating IPV person does reapply for FS, apply any remaining periods of ineligibility. If the ineligibility period has expired when the person reapplies, s/he may be eligible to receive benefits.

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**Example.** John is notified of his one-year IPV disqualification in January, effective February 1. He doesn't request FS for the first nine months of his period of ineligibility. If John reapplies for FS in November and is determined otherwise eligible, he will still have to serve the three remaining months of his ineligibility period. If he waits until February to reapply, the ineligibility period will have expired and he may be determined eligible for FS.

A pending administrative disqualification hearing doesn't affect the person's eligibility. Don't take any adverse action in the matter before the case is resolved. Act on other changes in income and circumstances.

Don't disqualify retroactively fraudulent FS group members who were not disqualified timely.

You can disqualify a FS group member only to the extent that the disqualification period has not elapsed.

**Example.** You determine in December that a person should have been disqualified in June for 1 year. Disqualify the person for the remaining 5 months.

06.01.02  
Disqualification For Receipt of  
Multiple FS Benefits

A person who makes a fraudulent statement about his or her identity or place of residence in order to receive multiple FS benefits simultaneously shall be ineligible for a period of 10 years.

Before disqualification:

1. A finding of fraud must be made by a state agency, **AND**
2. A conviction of fraud must be entered by a state or federal court, **AND**
3. A disqualification imposed by a state or federal court.

Do not use an administrative disqualification hearing decision, or a Pre-Trial Diversion Agreement as a basis for imposing this penalty. A caseworker cannot impose the 10 year disqualification.

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07.01.00  
Institution of Higher Education

An institution of higher education requires a HS diploma or equivalency certificate for enrollment, or is a regular college or university degree program that does not require a high school degree as a condition of enrollment. It doesn't include any adult basic education program. Examples are business, vocational, trade and technical schools, colleges and universities.

07.01.01  
Student Eligibility

Anyone, age 18-49, enrolled half time or more, in an institution of higher education is ineligible, unless s/he meets one of the following criteria.

CARES screen ANSE, AFEI,  
AFSE,

1. Employed at least 20 hours a week at any wage.
2. Self employed at least 20 hours a week and earning at least minimum wage for 20 hours a week ( $\$5.15 \times 20 = \$103$  a week).
3. Both employed and self-employed at least 20 hours a week and earning at least minimum wage for 20 hours a week ( $5.15 \times 20 = \$103$  a week).
4. Participating in a Title IV or state work study program.
  - a. Continue the exemption until the end of the month in which the school term ends, or the student refuses to do his assigned work. A student who has stopped working during the school year because the work study funding has run out would continue to be classified as an eligible student until the end of the school term.
  - b. The exemption does not cover school breaks of longer than one month, unless the student is participating in work study during the break.
5. Responsible for the care of a dependent household member under age 6. If 2 people exercising parental control are in the food unit, allow student status to only 1 person per child.

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6. Responsible for the care of a dependent household member age 6-12 if the agency determines adequate child care is unavailable. If 2 people exercising parental control are in the food unit, allow student status to only 1 person per child.

7. Is a single parent enrolled in an institution of higher education on a full-time basis (as determined by the institution) and is responsible for the care of a dependent food unit member under the age of 12. To apply this provision there must be only one natural or adoptive parent, or stepparent in the same food unit as the child. If there is no natural or adoptive parent or stepparent living with the child, another full-time student living with the child may qualify as an eligible student under this provision if the student has parental control of the child and does not live with his or her spouse.

8. Receiving a Tribal TANF cash payment, W-2 cash payment, or working in a W-2 Trial Job.

9. Assigned to or placed in an institution of higher learning by WIA.

10. Enrolled in a W-2 employment position.

11. Physically or mentally unfit for gainful employment. Verify the claim if it's not clear. Receipt of temporary or permanent disability benefits, a statement from a physician, or certified psychologist is appropriate verification.

12. Participating in an on-the-job training program. This exemption applies only during the period of time the person is being trained by the employer.

13. Is assigned to or placed in an institution of higher education through or in compliance with the requirements of FSET.

A student is enrolled as of the 1st day of the school term through normal scheduled class periods, vacation, and recess unless s/he:

1. Graduates.
2. Is suspended, expelled, or drops out.
3. Doesn't intend to register for the next school term (excluding summer school).

07.02.00  
Work Registration

See the [FSET Manual](#).

07.03.00  
Student Aid

Student aid is available only to students enrolled at least half-time in one of these:

CARES screens ANSE, AFEA

1. School for the handicapped
2. Vocational education program
3. HS
4. GED program
5. Institution of post secondary education

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An institution of post secondary education is an educational institution which normally requires a HS diploma or equivalency certificate for enrollment. It admits persons beyond the age of compulsory school attendance or provides training leading to gainful employment.

Effective January 1, 2003, all types of student financial aid are disregarded and not counted as income. Disregard any educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, etc. Title IV Work Study is also disregarded.

This exclusion of student financial aid as income does not affect the non-financial eligibility determination policy for students age 18-49 enrolled in institutions of higher education. See 07.01.00 and 07.01.01 for policy on nonfinancial eligibility of students.

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08.01.00  
Link to the FSET Manual

All Work Program and ABAWD (Able Bodied Adults Without Dependents) policy is now contained in the FSET Manual at <http://www.dwd.state.wi.us/dws/manuals/fset/default.htm>

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09.01.00  
Application Site

A FS group must live in the county or tribe in which it applies for FS.

No FS group may participate in more than one county in any month (01.03.04) except:

1. Groups moving to Wisconsin from a state using a fiscal month issuance cycle or
2. Persons residing in a shelter for battered women and children.

09.02.00  
Guidelines for Determining  
Residency

- Residence doesn't mean the legal place of residence or principal home.
- Don't require someone to live within the county for any minimum time.
- An eligible FS group doesn't have to live in a permanent dwelling or have a fixed mailing address.
- Residence doesn't mean the intent to live permanently in Wisconsin or the county.
- A person who's in the county solely for vacation purposes is not a resident of the county.

Children are included in the food unit where they reside when they are under the care and control of a parent or other caretaker in that food unit. There may be situations when the residence of a child is not easily determined. There are many methods that can be used to determine residence. If the residence of the child is questionable, court documents can be used to determine if there is a primary caretaker designated. It may be a situation of joint custody and a 50-50 custody split. If one parent isn't designated as primary caretaker, the parents can be asked to decide. Individuals can only be included in one food unit.

If the parents can't/won't agree, compare the parents' activities and responsibilities against the following list and determine which one is exercising more control than the other:

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1. If the parents reside in different school districts, where does the child attend school? Who selected the school?
2. Who assists the child with homework or school-related tasks?
3. Are there tuition costs for the child's education? If so, who pays those costs?
4. If the child is enrolled in day care, who arranges for and pays these costs?
5. Who is responsible for taking the child to and from school and/or day care?
6. Which parent is listed as the contact for emergencies at the child's school or day care provider?
7. Who arranges medical and dental care for the child? Who selects the physician and dentist?
8. Who maintains the child's medical records?
9. Who initiates decisions regarding the child's future?
10. Who responds to medical or law enforcement emergencies involving the child?
11. Who spends money on food or clothing for the child when the child visits the absent parent?
12. Who disciplines the child?
13. Who plays with the child and arranges for entertainment?
14. Are more of the child's toys, clothing, etc. kept at one parent's home than the other's?

Only one parent can receive FS for a child. If you still can't determine which household the child should be in, the caretaker that first applies would be eligible. Use the best information available to make your decision, and document in case comments the basis of your determination. If you still can't decide call the CARES call center.

**Example 1:** Holly lives with her mother in Gleason. She attends school in her mother's district and her mother maintains a home for her. She visits dad on the weekends. Dad is receiving FS. Holly is considered as "residing" with her mother. Her father can not include her in his FS group.

**Example 2:** Fran (mom) has legal custody of Clarence. However, Clarence resides with grandma, and occasionally visits mom. Clarence is considered "residing" with grandma and would be included in Grandma's FS if she applied. Clarence would not be included in Mom's FS case since he is residing with Grandma.

**Example 3:** Mary and Rich have joint/shared custody of Ryan. He spends days with Rich because Mary works days, and nights with Mary because Rich works nights. However, Mary maintains a home for Ryan, he attends school in mom's district, and she provides for most of his needs. Ryan is considered "residing" with Mary, and can receive FS with her. Ryan would not be included in Rich's FS group since he is residing with Mary.

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**Example 4:** Pam and Paul have 50/50 shared custody of Emily. Neither is designated as primary caretaker. They do not agree on who exercises more control over Emily. They both have Emily for 3 and on half days per week. They live in the same school district, both are contacted in an emergency, etc. Paul comes in to the agency to apply for FS first. Emily would be included in Paul's FS AG.

09.03.00  
Temporary Absence

Include in the food unit an individual temporarily absent from the household when the expected absence is no longer than 2 full consecutive calendar months past the month of departure. Some examples are absence due to illness or hospitalization, employment, and visits.

To be considered temporarily absent, one must meet ALL of the following conditions:

1. The individual must have resided with the food unit immediately before the absence,
2. The individual intends to return to the home, and the food unit must maintain the home for him/her,
3. If the absent person is a child, the caregiver of the absent child is responsible for the child's care and control when the child returns to the home, and
4. If the absent person is an adult, the adult must still be responsible for care and control of the child during their absence.

Attending school - Persons temporarily absent to attend a school will no longer be a reason to remain included in the FS AG.

Incarceration - Huber Law prisoners released for the purpose of caring for members of their family can be considered temporarily absent from the FS Unit. See 09.03.02.

**Example 1:** Karley's resides with and receives FS with her mother. Karley attends school in Oregon. Her last day of school is June 3rd. On June 6th, it is reported that she is going to stay with her father in Madison for the summer. She'll be returning to her mother's home on August 15th.

The month of departure is June. Since she is only absent for 1 calendar month (July), she is considered temporarily absent from her mother's FS case. She will not be out of the home longer than 2 full consecutive months.

**Example 2:** Karley's last day of school is May 24th. Her mother reports Karley will be leaving that day to spend the summer with her father. She is expected to return to her mother's residence on August, 1st. Karley will be absent from her mother's home for 2 consecutive calendar months (June and July) so would not be considered temporarily absent. She should be removed from her mother's FS case effective July and added back to the FS case, following person add policy, when she returns.

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**Example 3:** Emmy and Taylor currently live with and receive food stamps with their mother. They go to stay with their aunt in Arizona. They leave June 15th. They don't plan on returning until October. They will be out of the home more than 2 full consecutive calendar months and would not be considered temporarily absent from their mother's FS case.

09.03.01  
Military Absence

Someone absent solely for full-time service in the military isn't considered temporarily absent (09.03.00), and is not in the food unit. Income and assets from someone outside of the food unit are not budgeted (01.02.00, 12.02.30).

If military income is direct deposited into an account jointly owned by the person in the military and a member of the food unit, it will be counted as an asset for the food unit in the month after receipt (12.01.05). However military allotments paid to a spouse or dependent of the person in the military is budgeted as unearned income as long as the spouse or dependent is a member of the food unit.

**Example 1:** Maria and Jesus are a married couple with two children and are receiving food stamps. Maria is a reservist in the army and has been called to active duty. She will be living away from her family while on active duty. She will now receive active army pay which will be direct deposited into a joint account that Maria and Jesus share.

Maria's army pay will not be budgeted to the food unit because Maria is no longer in the food unit (12.01.05). If Jesus receives a Military allotment for himself, and for his and/or their children due to the fact that Maria is on active duty, that payment would be budgeted as unearned income.

09.03.02  
Incarceration and Huber Law  
Prisoners

Huber law prisoners who are released from confinement for the purpose of caring for members of their family, and who purchase and prepare meals with their family members are considered temporarily absent from the FS Unit and may be eligible for food stamps. The prisoner must meet all financial and non-financial eligibility requirements.

A Huber Law prisoner is caring for his/her family if s/he meet all the following criteria:

1. Intends to return home after his or her confinement.
2. Continues to exercise care and control of his or her children.
3. Continues to plan for the support and care of his or her children.
4. Is released to attend to the needs of his/her family and to purchase or prepare meals with his/her family.

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**Example 1:** A mother with three school age children has been sentenced to serve 90 days in a Huber facility. She is released at 8:00 a.m. to her place of employment and must report directly back to the Huber facility by 4:30 p.m. This mother is absent from the household and is not eligible for FS benefits.

**Example 2:** A father applies for FS for himself and his two school age children. He is sentenced to serve 90 days in a Huber facility. Under the terms of his sentence he is released each morning at 6:00 a.m. to report to his job; at 3:00 p.m. he is to leave his job and report to his home to care for his children, including fixing and eating dinner with them. He must report back to the Huber facility by 8:00 p.m. This father is temporarily absent from the FS household and is eligible for FS benefits.

09.04.00  
Homelessness

"Homeless" is defined as "An individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

1. A supervised shelter designed to provide temporary accommodations (such as a welfare hotel or congregate shelter),
2. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized,
3. A temporary accommodation for not more than 90 days in the residence of another individual, or
4. A place not designed for, or ordinarily used as a regular sleeping accommodation for human beings (a hallway, bus station, a lobby, or similar places)."

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10.00.01  
Child Support Cooperation Intro

As a condition of participation in the FS Program, require all adult FS applicants and recipients to cooperate with the Child Support Agency (CSA) if they are the natural or adoptive parent, or living with and exercising parental control over, a child under the age of 18 who has an absent parent.

Whether the person is cooperative or not is determined by the CSA and that information is communicated to the FS agency. If the FS applicant/recipient is a custodial parent the process is automated through the CARES/KIDS interface. The cooperation of non-custodial parents (NCPs) is not automated through CARES/KIDS. The procedure for NCPs is set out below.

10.00.02  
Procedure for NCPs

If it becomes known at application, review or report of change that an applicant or recipient is a non-custodial parent, contact the CSA by telephone, e-mail, fax or other means of communication and ask for the person's cooperation status. The CSA will respond within seven days.

If a non-cooperative NCP becomes cooperative, it is the responsibility of the NCP to report the change to the FS worker and obtain verification. The CSA will provide verification to the NCP or the FS agency if requested by the NCP. Until verification is received continue to code the NCP non-cooperative.

10.01.00  
Cooperation Criteria

Deny eligibility to an adult FS applicant or recipient who fails to cooperate with the Child Support Agency without good cause under the following criteria:

1. A custodial parent, including a natural or adoptive parent, or any person living with and exercising parental control over, a child under the age of 18 with an absent parent, must cooperate with the CSA to:
  - a. Establish paternity,
  - b. Establish or enforce a support order, and
  - c. Obtain any other payments or property to which the child is entitled.
2. An alleged father of a child under the age of 18 must cooperate with the CSA to establish paternity.
3. A non-custodial mother of a child under the age of 18 must cooperate with the CSA to establish paternity.
4. Any non-custodial parent of a child under the age of 18 must cooperate, as determined by the CSA and DWD, with the CSA to establish or enforce a support order for the child.

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5. A parent who is/was court ordered to pay child support and is delinquent in making those payments will be denied food stamps regardless of the age of the child and regardless of whether there is a current support order unless:

- a. The delinquency balance equals less than three months of the court ordered payment amount.
- b. The court or county CSA is allowing the parent to delay child support payments.
- c. The parent is in compliance with a payment plan approved by the county CSA.

Assume the applicant is cooperating unless an alert or notice of non-cooperation is received from the CSA. If a notice of non-cooperation is received continue to code the person as non-cooperative until a notice and verification of cooperation is received by the CSA.

If the case was closed and the most recent status was non-cooperation when the person re-applies, continue to code the person as non-cooperative until notice of cooperation is received from the CSA.

If a parent or alleged parent is ineligible for the FS Program because of his or her non-cooperation with the CSA, count that person's income, assets, and expenses in the FS group's calculation of eligibility. See 15.07.00

10.01.01  
Good Cause For Non-cooperation

An individual who fails to cooperate with the CSA agency, can request a good cause waiver of their non-cooperation. The FS worker (public employee) decides whether to allow the waiver.

The following are good cause for non-cooperation:

1. It can be reasonably anticipated that the FS applicant/participant's cooperation will result in:
  - a. physical or emotional harm to the child, or
  - b. physical or emotional harm to the parent which would reduce the parent's ability to adequately care for the child.
2. An adoption petition for the child(ren) in question has been filed with a court.
3. The child was conceived as a result of incest or sexual assault.
4. The parent is being assessed by a public or private social agency to determine whether his/her parental rights should be terminated.

If the denial of a good cause waiver is taken to a fair hearing in a joint FS and W-2 case, the decision in the FS fair hearing shall supersede the fact finding decision in the W-2 case.

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10.01.02  
Good Cause Notice

A Good Cause Notice (Appendix 20.17.0) must be provided all clients at application and at any time a new child is added to the FS AG. This notice describes the right to refuse to cooperate with good cause in establishing paternity and securing medical support. Clients who wish to claim good cause must tell their worker. The worker will give them a Good Cause Claim form (Appendix 20.18.0) which explains how to claim good cause. Clients may also ask for the Good Cause Claim form to help them decide whether or not to claim good cause for not cooperating.

10.01.03  
Regaining Eligibility

A person can regain eligibility for the FS program by cooperating with the CSA, including but not limited to, paying court-ordered child support payments as set out above.

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11.01.00  
Guidelines

A FS group may not exceed its asset limit and be eligible. The asset limit is:

1. \$3,000 when at least 1 group member is disabled or 60 or older.
2. \$2,000 for all other groups.

Categorically eligible groups don't have to pass an asset test.

Mixed categorically eligible groups must pass the asset test. In mixed categorically eligible groups, count the assets of all group members except SSI recipients.

Any food stamp group receiving W-2 or any other TANF funded service is categorically eligible. See appendix 1.3.1.

Disregard means "Don't count."

Deem means allocate income, assets, and/or expenses to someone from someone else. Deeming occurs regardless of whether the allocated amounts change hands.

Money cannot be counted as both income and an asset in the same month. Do not count income received in a month as an asset.

**Example:** Carrie receives FS and is undergoing a recertification with her worker. She receives Social Security Retirement of \$600 on the 30th of each month. It is automatically deposited into her savings account. At the review, the balance of her savings account was \$3,200. The worker will subtract the SS income from her savings account balance to find her assets.  $\$3,200 - \$600 = \$2,600$ . Carrie's asset limit is \$3,000 since she is elderly, so she is under the asset limit.

11.01.01  
Equity Value

Equity value is the fair market value (FMV) minus any encumbrances against the asset. Only count the equity value of nonexempt assets. Disregard the equity value of exempt assets.

11.01.02  
Separate & Mixed Assets

Disregard exempt assets a FS group keeps in a separate account, or in an account with other exempt assets. Disregard them indefinitely.

If the group keeps an asset in an account mixed with countable assets, disregard the exempt assets for 1 of these periods:

1. For 6 months from the date the exempt asset was mixed with the countable assets.
2. If an exempt asset is money that you've prorated as income, exempt it only for the period over which you've prorated it. After that period expires, count the asset. Self-employment, or farm income are examples of prorated income.

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11.01.03  
Availability & Exemptions

CFR 273.8(e)(18)

Not all assets owned by an FS group are counted against a group's limit. Unavailable assets are not counted. Unavailable assets are:

1. Assets inaccessible to the household because they are unknown to the household. The assets become available assets the day the household becomes aware of them.
2. Nonexempt assets that the owner can't make immediate use of. Disregard an unavailable asset until it becomes available.
3. Assets that a household is unable to sell for any significant return because the household's interest is relatively slight or because the costs of selling the household's interest would be relatively great.

"Significant return" means any return, after estimating costs of sale or disposition, and taking into account the ownership interest of the household, that the agency determines are more than \$1500. This does not apply to financial instruments such as stocks, bonds, and negotiable financial instruments.

Examples of unavailable assets are:

1. Some irrevocable trust funds (11.04.07).
2. Property and goods in probate.
3. Security deposits for rental property or utilities.
4. Some gifts (11.05.04.01).
5. Some items in a collection.
6. Non-liquid assets that have a lien on them as security for a loan. The purpose of the loan must be to produce income. It can't be for the purchase of the asset against which the lien is in effect.

The lien agreement must prohibit selling the asset until the lien is satisfied. Non-liquid assets include land, crops, buildings, timber, farm equipment, and machinery.

**Example.** A farmer borrows from a bank to buy a new dairy bulk tank by allowing a lien on his corn crop. The value of the corn crop is unavailable until the lien is removed by satisfying the loan.

Disregard an asset when:

1. It is used by or for an ineligible alien or disqualified person in the household and
2. You're deeming assets from him/her in determining the group's eligibility.

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11.01.04  
Jointly Owned Accounts

An account is:

1. A deposit of funds (savings, checking, share and NOW accounts, certificates of deposit, and similar arrangements), made with,
2. A financial institution (such as a bank, savings and loan, credit union, or insurance company), where,
3. The holders have equal access to the funds.

Jointly held accounts in a state regulated financial institution are accessible to all holders of the account. The food unit has access to the joint account, with the exceptions below.

Don't assume that a jointly held account is accessible if it is:

1. Established for business, charitable, or civic purposes.
2. A trust or restricted account. The person named as holder has no or limited access to the funds.
3. A special purpose account. A special purpose account has at least one holder acting as the power of attorney, guardian, or conservator for another account holder(s).

11.01.04.01  
Jointly Owned by Different Food Units

Unless excepted below, deem the full value of assets owned jointly by separate food units to each unit.

**Example.** An asset worth \$600 is owned by 3 persons in the same household. 2 are in the same food unit and the 3rd is in another unit. Deem the asset's full value of \$600 to each food unit. In the unit with 2 owners, deem \$300 to each owner (11.01.04.02 ).

If a food unit jointly owns an asset and shows:

1. The asset isn't available to it, don't count the asset's value for that unit.
2. It has access to only a portion of the asset, count only that portion's value as an asset for that unit.

A jointly owned asset is unavailable to a food unit when:

1. It can't practically be subdivided; and,
2. The group's access to its value depends on the willingness of a joint owner who refuses access.

11.01.04.02  
Jointly Owned Shared Within Same Food Unit

Disregard assets a food unit living in a shelter for battered women and children owns with someone in its former food unit. Do this if agreement of the joint owner still living in the former household is needed for access.

When the joint owners of an asset are in the same food unit, deem each an equal share of the asset's total value. This avoids counting more than the asset's actual value.

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**Example.** Three food unit members own an asset valued at \$600. Assigning full value to each holder would give the food unit \$1800 (3 x \$600). Only \$600 is actually available. To avoid this, give each food unit member an equal share or \$200. The food unit's total is now the asset's actual \$600 value.

If only 2 food unit members are FS group members, each contributes \$200 to the FS group's assets. This is a total contribution of \$400 from FS group members. Determine why the other food unit member is not in the FS group. This will determine if the \$200, or a portion of it, is deemed to the group.

11.02.00  
Real Property

Disregard all real property, regardless of whether it is homestead property or not. (See 13.01.05)

11.02.01  
Homestead

A home is any dwelling place intended for human habitation. All real property including homestead property is excluded as an asset in the food stamp eligibility determination. Non-homestead property information entered on CARES screen AARP will no longer affect food stamp eligibility.

AARP

11.02.02  
Income Producing Property

Disregard all real property, including income producing property, regardless of whether the property is producing a profit or loss. (See 11.02.00)

11.02.03  
Essential for Self-employment

Disregard property essential to the self-employment of a household member, such as farm land.

11.02.04  
For Sale Property

Disregard property that the FS group is making a good faith effort to sell. Listing of the property at a price realtors find salable satisfies the good faith requirement. When the property is sold, count the sale money as an asset.

11.02.05  
Native American Lands

Disregard Native American lands:

1. Held jointly with a tribe or band,
2. Held in trust on behalf of an individual native, by the Department of the Interior, Bureau of Indian Affairs, or
3. Held by the individual under a restricted deed which prohibits its sale without the approval of the Dept. of Interior, or Bureau of Indian Affairs.

Disregard when determining eligibility, and benefit levels.

11.03.00  
Vehicles

Disregard all vehicles listed in CARES table TMVT.

11.04.00  
Liquid Assets

An asset remains an asset even when its form changes.

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**Example.** Al surrenders a life insurance policy with a \$500 cash value and receives a check for \$500. That check is the asset. Al uses the check to open a savings account. That account is an asset worth \$500.

11.04.01  
Land Contracts

Disregard land and installment contracts for land or a building if the contract produces income consistent with its FMV.

11.04.02  
Installment Contracts

Disregard the value of property sold under an installment contract or held as security in exchange for a purchase price consistent with its FMV. This includes the sale of any property or building, if the terms of the installment contract provide a purchase price consistent with the property's FMV.

11.04.03  
Disaster Payments

Disregard any governmental payment designated to restore a home damaged in a disaster. Apply this exemption if the household is subject to a legal sanction if the funds aren't used as intended.

Disregard any payments to farmers for a farm emergency caused by a natural disaster. The USDA determines if a farm emergency exists.

11.04.04  
Personal Goods & Property

Disregard household goods and personal effects, such as home appliances, furniture, and clothes. See 11.02.00 for policy on real property.

11.04.05  
Burial Plot

Disregard 1 burial plot for each food unit member.

11.04.05.01  
Pre-Paid Funeral Agreements

Disregard the value of one bona fide pre-paid funeral agreement per household member, up to \$1,500 in equity value. Count the available value above \$1,500.

11.04.06  
Retirement Funds

Disregard retirement funds, including 401K and 403B Plans, **but not any:**

1. Keogh plan that involves no contractual relationship with persons who aren't in the group (includable) ;
2. Individual retirement accounts (IRA's).

Keogh plans that involve a contractual relationship with persons outside of the FS group are excluded.

Count the net amount of an includable Keogh plan or IRA as an asset. To determine the net amount, deduct from the current balance any loss charged as a penalty for early withdrawal of the entire account.

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11.04.07  
Trust Funds

Count funds in a trust and any income produced by the trust. Disregard the funds only if all of these conditions exists.

1. The trust arrangement isn't likely to end.
2. The trustee administering the funds is either:
  - a. A court, institution, corporation, or organization under neither the direction or ownership of any household member; or,
  - b. Someone, not in the food unit, but appointed by a court with court imposed limits on his/her use of the trust's funds.
3. Trust investments made for the trust don't directly involve or assist any business or corporation under the control, direction, or influence of a food unit member.
4. The funds are held in irrevocable trust and are either established from:
  - a. The funds of someone not in the food unit.
  - b. The food unit's funds, if the trustee uses the fund solely for investments on behalf of the trust or to pay educational or medical expenses for anyone named by the food unit creating the trust.

11.04.07.01  
Burial Trusts

Wisconsin law permits a person to establish an irrevocable burial trust. Disregard all funds deposited in an irrevocable burial trust.

11.04.08  
Money Prorated as Income

The FS group member may have deposited money into an account from self-employment or farming. Prorate this money as income.

Disregard money prorated as income as an asset while you're counting it as income. When it's no longer prorated as income, count it as an asset.

11.04.09  
Tools & Other Work Related  
Equipment

Disregard the value of tools or other equipment essential to the employment or self-employment of a FS group member. Examples of essential tools are those of a mechanic, plumber, or other tradesperson, or a farmer's machinery.

11.04.10  
Relocation Payments

Disregard payments from the Uniform Relocation Assistance and Real Properties Acquisition Act of 1970.

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11.04.11  
Stocks, Bonds, and Other  
Investments  
  
CARES screen AALA, CMCC

Count the current cash value of any available investment that includes, but is not limited to: stocks, bonds, mutual funds, or IRA's. Available means that the asset could be cashed in at any time. Investments that are part of retirement plans are generally not available until someone is of retirement age. See Appendix 11.04.06 for information on retirement funds. Verify the availability of any investments reported.

To calculate the net value of investments such as a stocks, bonds, or mutual funds, verify the current value(s) as of closing of the market on the day before you do the calculation. For individual stocks or bonds, multiply the value per share times the number of shares. Deduct any losses or penalties charged as a result of a potential sale or early withdrawal. Acceptable verification sources include statements from an investment broker or a reputable news source that carries current market prices. Document the source of the verification in CARES on screen CMCC.

11.04.12  
Nutrition Benefits

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the National School Lunch Act. These are:

1. Special Milk Program
2. School Breakfast Program
3. Special Supplemental Food Program for Women, Infants and Children (WIC)
4. School Lunch Program
5. Summer Food Service Program for Children
6. Commodity Distribution Program
7. Child and Adult Care Food Program

11.04.13  
LIHEAP Payments

Disregard all payments provided by the Low Income Home Energy Assistance Program (LIHEAP).

11.04.14  
HUD Payments

Disregard payments from the Department of Housing and Urban Development (HUD) settling the Underwood v. Harris judgment against HUD (Civil No. 76-0469, DDC).

These payments are for retroactive tax and utility cost subsidies. Disregard them for the month in which the payment is received and the following month. Thereafter, count any remaining amount as an asset.

11.04.15  
Wartime Relocation of Civilians

Disregard payments under PL 100-383 to U.S. citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.

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11.04.16  
Alaskan Native Claims

Disregard payments including cash, stock, partnership interest, land, interest in land, and other benefits from the Alaskan Native Claims Settlement Act (PL 92-203).

11.04.17  
Native American Settlements

Disregard payments to individual tribal members from these federal settlements:

1. Grand River Band, Ottawa Indians (PL 94-540).
2. Sac and Fox Indian claims agreement (PL 94-189).
3. Navajo and Hopi Tribe relocation payments (PL 93-531).
4. Confederated Tribes and Bands of the Yakima Indian Nation & Apache Tribe of the Mescalero Reservation (PL 95-433).
5. Passamaquoddy Tribe, The Penobscot Nation, and the Houlton Band of Maliseet (PL 96-420), Maine Indian Claims Settlement Act of 1980.
6. Turtle Mountain Band of Chippewas, Arizona (PL 97-403).
7. Blackfeet & Gros Ventre tribes, Montana (PL 97-408).
8. Papago tribe, Arizona (PL 97-408).
9. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation, Montana (PL 98-124).
10. Red Lake Band of Chippewas (PL 98-123).
11. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
12. Chippewas of the Mississippi including these Minnesota reservations: Mille Lac, White Earth, and Leech Lake (PL 99-377).
13. Chippewas of Lake Superior (PL-94-146, Dockets 18-C & 18-T). This includes the following Wisconsin reservations: Bad River, Lac du Flambeau, Lac Courte Oreilles, Sokaogon Chippewa Community, Red Cliff, and St. Croix.
14. White Earth Band of Chippewas in Minnesota (PL 99-264).
15. Michigan Keweenaw Bay Indian Community and Minnesota Fond du Lac, Grand Portage, Nett Lake, and White Earth reservations (Dockets 18-S, 18-U, 18-C, & 18-T).
16. Seneca Nation Settlement Act of 1990 (PL 101-503).
17. Catawba Indian Tribe of South Carolina Land Claims Settlement Act of 1993.
18. 1931 Indian Child Welfare (P.L. 95-608)
19. Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).
20. Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act.
21. Cherokee Nation of Oklahoma Indians (Docket 262-83LO).
22. Cheyenne River Sioux Tribe
23. Crow Creek Sioux Tribe
24. Lower Brule Sioux Tribe
25. Devils Lake Sioux Tribe
26. Oglala Sioux Tribe
27. Rosebud Sioux Tribe
28. Shoshone-Bannock Tribes
29. Standing Rock Sioux Tribe

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Disregard the first \$2,000 of individual shares for the following:

1. Old Age Assistance Claims Settlement Act (PL 98-500).
2. Yankton Sioux Tribe (Dockets 342-70 & 343-70).
3. Peoria Tribe of Oklahoma (Dockets 313, 314-A, & 314-B).
4. Maricopa Ak-Chin Indian Community (Dock 235).
5. Wichita And Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 & 372).
6. Ak-Chin, Salt River Pima-Maricopa and Gila River Pima-Maricopa Indian Communities (Docket 228).
7. Rincon Band of Mission Indians (Docket 80-A).
8. Walker Paiute Tribe (Docket 87-A).
9. Seminole Nation of Oklahoma, Seminole Tribe of Florida, Miccosukee Tribe of Indians of Florida and Seminole Indians of Florida (Dockets 73, 151, and 73-A).

11.04.18  
Earned Income Tax Credit (EITC)

Disregard any Earned Income Tax Credit (EITC) payments received by participating FS group members for 12 continuous months from the month of receipt. If there is a break of one day or more, count the remaining EITC as an asset.

**Example:** John, a FS recipient, received a \$1,000 EITC lump sum payment in January and deposited it in his savings account. On March 31, he is ineligible for benefits for failure to complete a review. On April 3rd, he reapplies for FS and is found eligible as of the 3rd. Count any remaining amount of the \$1,000 EITC payment as an asset.

11.04.18.01  
IDA Program

Disregard total Individual Development Account (IDA) balances as assets if it is an account funded under TANF (Community Reinvestment) or the Assets for Independence Act (AFIA).

11.04.18.02  
WI sales tax

The one-time rebate payment of WI sales taxes in January 2000 should be counted as an asset in the month of receipt.

11.04.19  
Wisconsin Higher Education Bonds

Wisconsin Higher Education Bonds are sold by the state to the public as a way to save for a higher education. To determine their net value as an asset, subtract broker's fees from market value.

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1. The bonds also may be sold back to the state within certain time restraints. If the bonds are sold back:
  - a. Before the maturity date, a portion of their value is withheld. The amount withheld equals the school's tuition and fees. Any excess goes to the person.
  - b. On or after the maturity date, the value is the total amount received.
2. The bonds may be sold on the "secondary" bond market at any time. Since they can be disposed of on the market with no time limit, they are an available asset. Compute net value as: market value - broker's fees. (Verify the amounts through a broker.)

11.04.20  
Agent Orange Settlement Fund

Disregard payments received from the Agent Orange Settlement Fund or any other fund established in settling "In Re Agent Orange product liability Settlement Fund litigation, M.D.L. No. 381 (E.D.N.Y.)" as assets. Continue to disregard the payments for as long as they are identified separately. **Apply this disregard retroactively to 1-1-89.**

11.04.21  
Radiation Exposure  
Compensation Act

Disregard payments from any program under the Radiation Exposure Act (PL 101-426) paid to persons to compensate injury or death resulting from exposure to radiation from nuclear testing (\$50,000) and uranium mining (\$100,000). When the affected person is dead, payments are made to the surviving spouse, children, parents, or grandparents of the deceased. The federal DOJ makes the payments. Continue to disregard the payments for as long as they are identified separately. **Apply this disregard retroactively to 10-15-90.**

11.04.22  
Loans

Count any loan to a FS group member as an asset, even if the FS group member anticipates spending it in the same month.

11.04.22.01  
Loan Repayments

Count the principal of a loan repayment to a FS group member from a NonFS group member as an asset.

11.04.23  
Savings Accounts

Count money deposited in a savings account.

11.04.24  
Life Insurance

Disregard the cash value of any life insurance policies.

11.04.25  
Crime Act of 1984

Disregard as an asset payments to crime victims under the Crime Act of 1984.

11.04.26  
Checking Accounts

Count funds deposited in any checking account. Do not count outstanding (uncleared) checks as resources.

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- 11.04.27  
Cash  
Count any cash on hand as an asset.
- 11.04.28  
US Savings Bonds  
Count the cash value of a US Savings Bond unless it is unavailable. A bond is unavailable only if the FS group proves it tried to cash the bond and was refused.
- 11.04.29  
Nonrecurring Lump Sum  
Count nonrecurring lump sums beginning with the month of receipt. See 12.02.11.
- 11.04.30  
Interest Income  
Count interest, dividend, and royalty income as an asset if not received directly.  
  
**Example.** Mary has a CD. She receives an interest check every time the CD matures. The interest is income. If she leaves the interest to accumulate, count it as an asset.
- 11.04.31  
Veteran's Administration  
Disability Pension Payments  
Disregard the annual adjustment in a VA disability pension as an asset in the month the group receives it. The VA usually makes this benefit adjustment in October.
- 11.04.32  
SSI PASS Accounts  
Disregard income of an SSI recipient necessary to fulfill a Plan for Achieving Self Support (PASS) as an asset regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account.  
  
The SSA must approve the individuals PASS in writing, identifying the amount of income that shall be set aside each month to fulfill the PASS.  
  
It is the households responsibility to report and verify that such income is necessary to fulfill its PASS in order for the income to be disregarded.
- 11.04.33  
Nazi Persecution Victims  
Disregard as an asset payments under PL 103-286 to victims of Nazi persecution.
- 11.04.34  
Native American Trust Funds  
Disregard up to \$2000 per calendar year held by an individual native American which is derived from restricted land or land held in trust by the Department of Interior, Bureau of Indian Affairs. See 11.02.05.
- 11.04.35  
Student Financial Aid As Assets  
Disregard student financial aid as an asset as long as the student is enrolled in an institution of higher education. If the student graduates or disenrolls from school, count any remaining available student financial aid as an asset.

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11.05.00  
Divestment General Rule

The FS group isn't eligible if a member has given away assets:

1. Within 3 months before the date of application or while receiving FS **and**,
2. The reason for transfer was to become or remain eligible for FS.

11.05.01  
Burden of Proof

Assume the transfer was for less than full value. It is the FS group's responsibility to prove the reason for the transfer was other than to create or continue eligibility.

11.05.02  
Family Members

Transfers of assets between family members must meet the burden of proof (11.05.01). The rule does not apply if the transfer was between family members in the same FS group.

11.05.03  
Transfers

Some assets are countable except you've found them unavailable. Thus, you are not adding them to the FS group's asset total. A transfer of these assets is not a divestment.

The following transfers are not divestments:

1. Assets that wouldn't otherwise affect eligibility.
2. Assets sold or traded at or near their FMV.
3. Assets transferred between members of the same FS group.
4. Assets transferred between ineligible aliens or ineligible persons and the FS group when the persons are all within the same food unit.  
Ineligible persons include: IPV's, SSN violators, work program violators, and those with questionable citizenship.
5. Assets given away for reasons other than to qualify for or keep FS eligibility.
6. Disclaimed inheritance. An inheritance is disclaimed under s. 853.40, Wis. Stats A disclaimer occurs when a beneficiary renounces any claim to an inheritance. A disclaimer is not a divestment as the person disclaiming never gains ownership of the disclaimed asset.

The disclaimer must be filed in the probate court having jurisdiction. It is also filed in the office of the register of deeds in the county in which any real estate is located.

11.05.03.01  
Gift Availability

To count a gift, the giving of the gift must be complete. The elements completing the giving of a gift are:

1. The person's intention to make a gift.
2. Delivery of the property, such as cash, savings account passbook, and CD.
3. The end of the owner's control over the property or his/her separation from the property.

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11.05.04  
Period of Ineligibility

Use the Disqualification Chart (18.05.00) to determine the ineligibility period.

First, add the value of the divested assets to other countable other countable assets. Determine how much this total exceeds the FS group's asset limit.

**Example:** A 1 person group with \$1,250 in savings transferred the ownership of non-homestead property worth \$5,650 to a person not in the same FS group. As calculated:

\$5,650 = value of property = countable divested value

+1,250 = group's existing assets

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\$6,900 = total of group's assets and divested value

- 2,000 = group's asset limit

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\$ 4900 = divested value in excess of group's limit used in calculating the FS disqualification period. Disqualify the group for 9 months. (see 18.5.0)

The period of ineligibility begins at either:

1. The month of application, or
2. The first allotment issued after the notice of adverse action period has expired in an ongoing FS case, unless a Fair Hearing and continuation of benefits is requested.

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12.01.00  
General

Income is any gain or benefit you can use to purchase goods and services. There are 2 types of income: earned and unearned. To be financially eligible the FS group must not exceed income limits.

Eligibility and benefit calculations for FS are based on prospectively budgeted income using estimated amounts. Use the best information available.

Income that is received on a yearly basis, and is predictable in both amount and frequency may be converted to a monthly amount.

Income that is received regularly, but in varying amounts must be averaged.

Income that is received on an irregular basis must be averaged over the period between payments. If neither the amount of the income or the frequency of the income can be predicted, do not average; count only the income for the month in which it is expected to be received.

Money cannot be counted as both income and an asset in the same month. Do not count income received in a month as an asset.

**Example:** Carrie receives FS and is undergoing a recertification with her worker. She receives Social Security Retirement of \$600 on the 30th of each month. It is automatically deposited into her savings account. At the review, the balance of her savings account was \$3,200. The worker will subtract the SS income from her savings account balance to find her assets.  $\$3,200 - \$600 = \$2,600$ . Carrie's asset limit is \$3,000 since she is elderly, so she is under the asset limit.

12.01.01  
Disregard Definition

Disregard means "don't count". Although disregarded as income, not all unearned income is ignored in determining eligibility. It may be an asset, such as a non-recurring lump sum.

**Example.** Meg receives a rental security deposit. Disregard the refunded security deposit as income, but count it as an asset.

12.01.02  
Deem Definition

Deem means allocate income, and/or assets to someone from someone else. Deeming occurs regardless of whether the allocated amounts change hands.

12.01.03  
In Kind Benefits

Disregard any gain or benefit that isn't in the form of money paid directly to the household. Examples of these in-kind benefits are meals, clothing, housing, and garden produce. This includes free rent. No income is counted, and no rent deduction is allowed.

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12.01.04  
Calendar Quarter

Calendar quarter: 3 consecutive months beginning with January, April, July or October. They are:

1. January, February, and March.
2. April, May, and June.
3. July, August and September.
4. October, November and December.

12.02.00  
Unearned Income

Generally, unearned income is income not gained by work or delivery of a service or product. Count all unearned income unless told otherwise. Unearned income isn't counted at times because of its source, type, or the reason for giving it.

12.01.05  
Direct Deposit Income

Income of a non-food unit member is not budgeted as income for the food unit (12.02.30, 01.02.00). This is true whether the income is earned or unearned. If the income of a non-food unit member is directly deposited into an account jointly owned by a food unit member, it is counted as an asset for the food group in the month following receipt.

**Example 1:** Sam and Betty are receiving Food Stamps. Sam is a reservist in the army and has been called to active duty. He will be living away from Betty. He will now receive army pay which will be direct deposited into a joint account that Sam and Betty share. Sam's income will not be budgeted to the food unit because Sam is no longer in the food unit. However, if the money from Sam's army pay is still in the account in the next calendar month, it becomes an asset (11.01.04.01, 12.02.30).

12.02.01  
Monthly Income Rule

Count unearned income as income in the month that it is received, except when:

1. It isn't available to the FS group.
2. You're told otherwise by specific instructions in this Handbook.
3. Two payments from the same income source are received by the FS group in the same month due to mailing cycle adjustments. Count each payment only for the month it is intended.

Income sources commonly affected by such mailing cycle fluctuations include general assistance, other public assistance programs, SSI, and SSA benefits.

**Example.** SSA mails checks (other than SSI) so the person gets them on the 3rd. When the 3rd falls on a weekend or holiday, SSA advances its mailing cycle so the person will get the check before the 3rd.

As a result, someone may receive 2 months' benefits in 1 month. In this case, the 1st payment was intended for the month it was received and the 2nd is for the next month. Count 1 payment for each month.

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12.02.01.01  
Changes to Monthly Unearned  
Income

There are two change reporting policies, depending on the recertification period of the AG.

1) FS AGs that include only Elderly, Blind, or Disabled (EBD) individuals with no earnings must report a change of more than \$50 a month in unearned income or a change in source of the unearned income. Both changes must be reported to the FS Agency within 10 days of the date the change is known to the household.

Child Support Exception: Changes in total child support income of \$100 or more per month must be reported within 10 days. Changes of less than \$100 per month in total child support, family maintenance, alimony, or child support arrears need not be reported.

2) All other FS AGs will only be required to report if the total monthly gross household income exceeds 130% of the Federal Poverty Level (FPL) for the food unit size. This change must be reported by the 10th of the month following the month in which the income exceeded 130% of the FPL. See 18.01.02.

**Note: Any reported changes must be acted on timely by the worker, regardless of the recertification period of the AG.**

12.02.02  
HUD & FMHA Payments

Disregard rent paid by the Department of Housing and Urban Development (HUD) and Farmer's Home Administration (FMHA) directly to a landlord as income. Don't include these payments as a deduction in the Shelter/Utilities Computation Unit. Only include as a rent expense what the household owes to the landlord after the HUD and FMHA payments.

Disregard rent paid by HUD to residents in the experimental housing program in Green Bay.

Disregard HUD and FMHA utility reimbursement payments made directly to a household or utility provider as income.

12.02.02.01  
HUD Payments On Behalf of  
Native Americans

Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the FS group.

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12.02.02.02  
Family Investment Centers  
Program

Under the Family Investment Centers program, HUD provides grant money to public housing agencies and Indian housing authorities. In turn, they provide access to education and job opportunities to public housing residents.

Disregard as income services provided to a public housing resident under a Family Investment Centers program. Services include:

1. Child care,
2. Employment and training counseling,
3. Literacy training,
4. Computer skills training,
5. Assistance in attaining certificates of high school equivalency, and
6. Other similar services.

12.02.03  
Charity

Private, nonprofit charitable agencies include the Salvation Army, St. Vincent de Paul, Community Action Agency, and church groups.

In a calendar quarter, disregard the first \$300 received by a household from any private, nonprofit charitable agency. If the application is after the 1st day of a calendar quarter, include the entire quarter in computing the excess. Count any amount over \$300 as unearned income. Start in the month in which the overage first shows.

**Example 1:** In April a food unit receives \$100 cash from Agency X. In May it gets another \$100 in cash from Agency X. In June it gets \$250 cash from Agency Z. The calendar quarter total is \$450. Disregard the first \$300. Count the remaining \$150 as unearned income received in June.

**Example 2:** A household received \$80 from a private, nonprofit charitable agency in January, \$250 in February, and \$210 in March. Include the entire January payment in the calculation, even though received before the unit's application date of 1-23-91. The total \$540 for January, February & March is subject to the policy: \$540 - \$300 = \$240.

12.02.04  
Irregular Income

Disregard income of \$30 or less each calendar quarter if received too irregularly to be anticipated. Apply this disregard only to prospectively budgeted cases.

If income is irregular as to the amount and frequency of payment, do not average the amount over the periods between payments. Count the income only for the month it is expected to be received. If its receipt cannot be anticipated by the client, disregard the payments.

12.02.05  
Educational Loans

Educational aid for students is not counted as income. See 07.03.00 Student Aid.

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12.02.06 Loans  7CFR273.9(c)(4)	Disregard as income any loan to the FS group. This includes loans from private individuals and commercial institutions. See 11.04.22 for information on loans as assets.
12.02.06.01 Loan Repayments	Count the principal of a loan repayment to a FS group member from a NonFS group member as an asset. Count the interest of a loan repayment to a FS group member from a NonFS group member as unearned income.
12.02.07 Reimbursements	Count reimbursements for normal household living expenses such as rent, mortgage, personal clothing, and food eaten at home. These are counted because they are a gain or benefit.  Disregard a reimbursement for an identified expense, other than normal household living expenses, and used for the purpose intended. Assume a reimbursement does not exceed an actual expense unless the provider or FS Group says the amount is excessive. If the amount exceeds the actual expense, count the excess as income.
12.02.07.01 E&T	Disregard reimbursements or flat allowances for job or training related expenses. Expenses may be for travel, daily allowance, dependent care, uniforms, and transportation to and from a job or training site, including travel expenses of migrant workers. Disregard expenses related to participation in the JOBS training program.
12.02.07.02 Volunteers	Disregard reimbursements for a volunteer's out-of-pocket expenses incurred in the course of his/her volunteer activities.
12.02.07.03 Medical & Dependent Care	Disregard reimbursements for medical or dependent care. Examples are payments from the MA Community Integration Program (CIP), such as buying a seeing eye dog.
12.02.07.04 SS Block Grant	Disregard reimbursements for services provided by the Social Services Block Grant Program.
12.02.07.05 Educational	Disregard educational expense reimbursements.
12.02.07.06 JUMP Start	Disregard reimbursements from the Indianhead Community Action Agency (Ladysmith) under its JUMP Start Program for start-up costs to establish a child care business in the person's home.

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12.02.07.07  
Landlord Reimbursements

A tenant may be billed utility expenses for common electrical devices, for the benefit of any number of tenants, but wired through his/her meter. A notice from the landlord identifies that cost and the tenant's reimbursement. Disregard the reimbursement.

12.02.08  
Third Party Payments

When a FS group member is also a protective payee, disregard the money s/he receives for the care and maintenance of a third party who is not in the FS group. However, count any portion of the money the member spends for its own household's needs as income to the protective payee.

If a single payment is for the care of a FS group member and a third party not in the FS group, disregard the portion of the payment intended for the third party. When you can't identify each person's portion, prorate the payment equally.

12.02.09  
Dependent Care Payments

Disregard dependent care payments as income for a group member's care when a county agency:

1. Pays a dependent care provider directly.
2. Reimburses the FS group after the group has incurred or paid a dependent care expense.

12.02.10  
Reserved

12.02.11  
Nonrecurring Lump Sums

Disregard money received as a nonrecurring lump sum payment as income. A nonrecurring lump sum is a payment received only once. Count it as an asset in the month the FS group receives it (11.04.29)

Types of nonrecurring lump sum payments include:

1. Income tax refunds, rebates, or credits.
2. Retroactive lump sum insurance settlements.
3. Retroactive UC payments.
4. Utility or rental security deposit refunds.
5. Retroactive SS or public assistance payments.
6. Retroactive Caretaker Supplement for Children (C-Supp).
7. TANF payments made to divert a family from becoming dependent on welfare, such as Emergency Assistance.

When a combination of current and lump sum payments are received at once, the current amount is income and the nonrecurring amount is an asset.

**Example :** A group member receives SSA benefits. In June, she gets a \$950 check. \$430 is for the current month (June) and \$520 is a retroactive payment for underpayments in February and March. The \$430 is income and the \$520 is an asset.

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12.02.11.01 Lump Sum Installment Payments A recurring payment, received in two or more monthly installments, is income. Exceptions are EITC and SSI Retroactive Installment Payments.

12.02.11.02 EITC Disregard EITC payments as income (11.04.18).

12.02.11.03 SSI Retroactive Installment Payments Disregard retroactive SSI payments which are paid in installments. Retroactive SSI benefits which total 12 months or more of the Federal Benefit Rate (monthly SSI amount) will be paid in 3 or fewer installments at 6 month intervals. Each installment payments should be counted as an asset under 11.01.00.

Retroactive SSI benefits which equal or exceed 12 months of benefits, but which are owed to the following categories of recipients will continue to be received in one lump sum:

1. A person who has a medical impairment which is expected to cause death within 12 months.
2. A person who is ineligible for benefits and is likely to remain ineligible for the next 12 months.

12.02.12 Educational Trust Funds Disregard income produced by an educational trust that you excepted in the Asset Unit.

12.02.13 Domestic Volunteers Services Act Disregard income from Title I of the Domestic Volunteers Services Act only when the volunteer received FS at the time s/he joined the Title I program. Interruptions in FS participation do not alter this disregard. If this exceptions doesn't apply, count Title I income as earned income.

12.02.13.01 Title I Programs Title I programs include:

1. AmeriCorps\*VISTA (See 12.03.26 to contrast with AmeriCorps, which is different)
2. University Year for Action
3. Urban Crime Prevention Program

**Example.** A FS recipient joins AmeriCorps\*VISTA. S/he goes to training and does not receive FS for 2 months. S/he returns and reapplies. Disregard the AmeriCorps\*VISTA income because s/he was receiving FS when s/he joined AmeriCorps\*VISTA.

Some households were receiving the disregard for a Title I program at the time of conversion to the Food Stamp Act of 1977. Continue the disregard for the same time frame they said they would volunteer for at the time of conversion.

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- 12.02.13.02  
Title II Programs
- Disregard all Title II program income. These programs include:
1. Retired Seniors Volunteer Program (RSVP)
  2. Foster Grandparents Program
  3. Senior Companion Programs
- 12.02.14  
Adoption Assistance
- Count the subsidized adoption payments as income.
- 12.02.15  
LIHEAP Payments
- Disregard payments and allowances made by the Low Income Energy Assistance Program (LIHEAP).
- 12.02.16  
COP Payments
- Disregard Community Options Program (COP) payments. But if a household member is receiving COP payments for providing services, count the money as earned income for providing the service.
- 12.02.17  
Relocation Related Benefits
- Disregard reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (PL 92-646, Section 216).
- 12.02.18  
Wartime Relocation of Civilians
- Disregard payments under PL 100-383 to US citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.
- 12.02.19  
Alaskan Native Claims
- Disregard all compensation including cash, stock, partnership interest, land, interest in land, and other benefits received from the Alaskan Native Claim Settlement Act.
- 12.02.20  
Native American Trust or Restricted Lands
- Disregard up to \$2000 per calendar year of income received by an individual native American which is derived from land held in trust or in restricted status, when determining eligibility and benefit levels.
- Disregard income from certain submarginal land of the US held in trust for certain Indian tribes (PL 94-114, Section 6).
- 12.02.21  
Native American Payments
- Tribal distributions income should be prorated if it is predictable and regularly received.
- Example:** Dawn receives \$500 quarterly from the Potawatami Tribe. The frequency of the payment is regular and the amount is predictable. To calculate the monthly amount to be budgeted prospectively, prorate the amount over the time period intended:
- $\$500/3 = \$166.67$  per month to be prospectively budgeted.

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Disregard payments to individual tribal members from these federal settlements:

1. Grand River Band, Ottawa Indians (PL 94-540).
2. Sac and Fox Indians claims agreement (PL 94-89).
3. Navajo and Hopi Tribe relocation payments (PL 93-531).
4. Confederated Tribes and Band of the Yakima Indian Nation & Apache Tribe of the Mescaler Reservation (PL 95-433).
5. Passamaquoddy Tribe, the Penobscot nation, and the Houlton Band of Maliseet (PL96-420), Maine Indian Claims Settlement Act of 1980.
6. Turtle Mountain Band of Chippewas, Arizona (PL 97-408).
7. Blackfeet & Gros Ventre tribes, Montana (PL 97-408).
8. Papago tribe, Arizona (PL 97-408).
9. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation, Montana (PL 98-124).
10. Red Lake Band of Chippewas (PL 98-123).
11. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
12. Chippewas of the Mississippi including these Minnesota Reservations: Mille Lac, White Earth, and Leech Lake (PL 99-377).
13. Chippewas of Lake Superior (PL 99-146, Dockets 18-C & 18-T). This includes the following Wisconsin reservations: Bad River, Lac du Flambeau, Lac Courte Oreilles, Sokaogon Chippewa Community, Red Cliff, and St. Croix.
14. White Earth Band of Chippewa in Minnesota (PL 99-264).
15. Michigan Keweenaw Bay Indian Community and Minnesota Fond du Lac, Grand Portage, Nett Lake, and White Earth reservations (Dockets 18-S, 18-U, 18-C, & 18-T).
  
16. Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).
17. Catawba Indian tribe of South Carolina Land Payments Claims Settlement Act of 1993.
18. 1931 Indian Child Welfare (PL 95-608).
19. Seneca Nation Settlement Act of 1990.
20. Confederated Tribes of the Colville Reservation grand Coulee Dam Settlement Act.
21. Cherokee nation of Oklahoma Indians (Docket 262-83LO).
22. Cheyenne River Sioux Tribe.
23. Crow Creek Sioux Tribe.
24. Lower Brule Sioux Tribe.
25. Devil's Lake Sioux Tribe.
26. Oglala Sioux Tribe.
27. Rosebud Sioux Tribe.
28. Shoshone-Bannock Tribes.
29. Standing Rock Sioux Tribe.
30. Bois Forte Band of the Chippewa tribe under 25 USCS 1407 (PL 106-568).

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Disregard the first \$2,000 of individual shares for the following:

1. Old Age Assistance Claims Settlement Act (PL 98-500).
2. Yankton Sioux Tribe (Dockets 342-70 & 343-70).
3. Peoria Tribe of Oklahoma (Dockets 313, 314-A, & 314-B).
4. Maricopa Ak-Chin Indian Community (Dock 235).
5. Wichita and Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 & 372).
6. Ak-Chin, Salt River Pima-Maricopa and Gila River Pima-Maricopa Indian Communities (Docket 228).
7. Rincon Band of Mission Indians (Docket 80-A).
8. Walker Paiute Tribe (Docket 87-A).
9. Seminole Nation of Oklahoma, Seminole Tribe of Florida, Miccosukee Tribe of Indians of Florida and Seminole Indians of Florida (Dockets 73, 151, & 73-A).

12.02.22  
Nutrition Benefits

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the national School Lunch Act.

These are:

1. Special Milk Program.
2. School Breakfast Program.
3. Special Supplemental Food Program for Women, Infants and Children (WIC).
4. School Lunch Program.
5. Summer Food Service Program for Children.
6. Commodity Distribution Program.
7. Child and Adult Care Food Program.

12.02.23  
Repayments

Repayments are moneys that are paid back either voluntarily or involuntarily from some other program's benefits. Intentional failure to comply with program requirements is determined by the authorities for that program. Contact those authorities to determine the reason for repayments. The amount of a repayment that should be used to determine eligibility and benefits varies depending on the source and reason for the repayment. See the sections below for specific repayment policy based on the source and reason of the repayment.

For all repayments, disregard no more than the current payment from that source. Disregard income that is mixed with other types of income and used to repay an overpayment back to the source of the income.

**Example 1:** Ted receives \$50 each month in VA benefits and \$250 in Social Security benefits. The VA overpaid him by \$200. If he pays back \$50 each month to the VA, don't budget the \$50 as income. If he pays back \$75 each month, disregard only \$50. Budget the remaining \$25 because it isn't money from the source of the overpayment. Remember that his VA benefits are only \$50 a month. The \$25 is probably from his Social Security benefits.

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### **1) Repayments due to an W-2 IPV**

When a repayment is due to an intentional failure to comply with W-2 program requirements, count any portion of that program's benefit that is withheld as a repayment.

### **2) Repayments for means tested sources that are withheld**

Disregard repayments (not due to a FS IPV) from benefits payable to the FS group that are withheld from a means-tested assistance payment or other source of income due to an overpayment.

An assistance payment is any benefit provided by a means tested program funded by federal, state, or local funds. Means tested programs are those which base eligibility on income and assets. These include, but are not limited to, W-2 and the Refugee Assistance Program. For SSI repayments, see 12.02.23.06.

**Example 2:** Kim received an overpayment of \$100 from W-2 (not due to IPV). She has \$10 a month withheld from her \$673 W-2 check to repay the overpayment. Disregard the \$10 monthly until the \$100 is repaid. Her net check is now \$663. Budget the net amount of \$663 for FS.

### **3) Repayments for means tested sources that are paid out of pocket**

Disregard repayments (not due to a FS IPV) from benefits payable to the FS group that are paid out of pocket.

An assistance payment is any benefit provided by a means tested program funded by federal, state, or local funds. Means tested programs are those which base eligibility on income and assets. These include, but are not limited to, W-2 and the Refugee Assistance Program. For SSI repayments, see 12.02.23.06.

**Example 3:** Kim received an overpayment of \$100 from W-2 (not due to IPV). She has agreed to make a one time payment of \$100 in June to pay this back. Her June W-2 benefit was \$673. Budget the net amount of \$573 (\$673 - \$100) for FS for June.

### **4) Repayments for non-means tested sources that are withheld**

Disregard repayments (not due to a FS IPV) from benefits payable to the FS group that are withheld from a non means-tested assistance payment or other source of income due to an overpayment.

Non-means tested programs are those which do not base eligibility on income and assets. Social Security and Unemployment Compensation (UC) are examples of a non-means tested source.

**Example 4:** Pao receives FS and Unemployment Compensation (UC). UC is not a means tested program. Pao had an overpayment in his UC and \$25 is being recouped in his current checks. His gross is \$500 and his net is \$475. Budget the net \$475 as income for FS.

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**5) Repayments for non-means tested sources that are paid out of pocket**

Disregard out of pocket payments (not due to a FS IPV) to a prior non-means tested overpayment received from that source.

Non-means tested programs are those which do not base eligibility on income and assets. Social Security and Unemployment Compensation (UC) are examples of a non-means tested source.

**Example 5:** Val incurred a \$20 overpayment from Social Security. SS income is not means tested. Val cashes her \$726 SS check and uses the money to repay the \$20 overpayment. Disregard the \$20 and budget \$706 for FS. If she used the \$20 to repay other types of overpayments, such as VA or W-2, count it as income because the repayment isn't from the same source.

**6) SSI Repayments**

Always budget net SSI regardless of the reason for any overpayment. See 12.02.33.

12.02.24  
Disaster & Emergency Assistance

Disregard major disaster and emergency assistance payments made by federal, state, county, and local agencies, and other disaster assistance organizations.

12.02.25  
Child Support (CS)

Count CS and maintenance payments made directly to the FS group, or passed through to the FS group by a CS agency, whether court ordered or voluntary. However, CS paid to a coparent that resides with the noncustodial parent and the child(ren) for whom the CS is paid is not counted as income. See appendix 16.05.00.

12.02.25.01  
CS Agency

Disregard CS payments received directly from an absent parent by a FS group if the money is turned over to the CS agency. Disregard CS payments retained by a CS agency.

12.02.25.02  
CS DEFRA Disregard

Up to \$50 of a current child support collection is disregarded by the W-2 Program Control Group, and a DEFRA disregard check is issued to the W-2 group. Count this check as unearned income for the month in which it is received by the client.

If more than one disregard check is received in a month, count the check amount for the most recent CS collection as unearned income. Treat any additional check for previous months as a nonrecurring lump sum (12.02.11).

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12.02.25.03  
CS Refund

The amount of CS collected by the state on behalf of a W-2 group is compared to the W-2 payment. If the CS collection (minus the disregard) on the current obligation exceeds the monthly W-2 amount, a refund is issued to the W-2 group. Count this CS refund as unearned income.

If more than one month is received count only one month as unearned income. Treat the additional amount as nonrecurring lump sum (12.02.11).

12.02.26  
[Reserved]

12.02.27  
Agent Orange Settlement Fund

Disregard payments received from the Agent Orange Settlement Fund or any other fund established in settling "In Re Agent Orange Product Liability Settlement Fund litigation MDL No. 381 (EDNY).

12.02.28  
Radiation Exposure  
Compensation Act

Disregard payments from any program under the Radiation Exposure Act (PL 101-426) paid to compensate injury or death resulting from exposure to radiation from nuclear testing (\$50,000) and uranium mining (\$100,000). Apply this disregard retroactively to 10-15-90. Continue the disregard as long as payments are identified separately.

12.02.29  
Wisconsin Family Support  
Program  
  
s. 767.262, Wis. Stats.

The Wisconsin Family Support Program provides funding for severely disabled children. Payments are vendored or made directly. Disregard these payments to the FS group. Don't confuse this program with "family support", a court ordered obligation that combines child support and maintenance.

12.02.30  
Non-Food Unit Members

Do not count income of persons living in the household who are not members of the food unit. (See 14.01.00 and 15.01.00 for special instructions for aliens and ineligible).

Count any contribution made by the non food unit member as unearned income to the FS group.

**Example.** Cal, a non FS group member, has income of \$600 a month. he doesn't contribute anything to the FS group. Don't count his income.

Cal starts contributing \$200 a month to the FS group. Count the \$200 as unearned income to the FS group.

12.02.31  
Boarders

Count the boarder's income and assets only if s/he is a food unit member (1.04.00).

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- 12.02.32 Sick & Severance (Unearned) Count any moneys received for sick or severance pay from income continuation or insurance as unearned income.
- 12.02.33 SSI Count net SSI income always. See 12.02.11 for information on SSI lump sum payments.
- 12.02.33.01 SSI PASS Accounts Disregard income of an SSI recipient necessary to fulfill a Plan for Achieving Self Support (PASS) regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account.
- The SSA must approve the individual's PASS in writing, identifying the amount of income that must be set aside each month to fulfill the PASS.
- It is the household's responsibility to report and verify that such income is necessary to fulfill its PASS in order for the income to be disregarded.
- 12.02.33.02 SSI/OASDI Representative Payee A qualified organization may collect a fee for acting as the representative payee for an SSI or OASDI recipient. Disregard the amount withheld from the SSI or OASDI payment as income to the recipient. Reduce the SSI or OASDI amount by the amount withheld instead.
- 12.02.33.03 SSI-E Payments Count certain SSI-E (Supplemental Security Income-Exceptional Expense Supplement) payments as unearned income.
- Verified expenses which meet all the following criteria can be deducted from SSI-E payments.
1. The payment is for a past or future expense.
  2. The payment is not in excess of the actual expense.
  3. The payment is not for a normal household living expense.
  4. The payment is used for the intended purpose. This means it is used for a cost associated with the individual's needs related to the disability.
- Example 1:** If the need for which the "E" payment was made is attendant care, but the payment is actually spent on a monthly loan installment, do not allow the deduction.
- Example 2:** If the actual expense is \$45.00 and the "E" payment is \$50.00, only the smaller amount may be deducted.
- Verify the claimed deductions at application, review, and when a change occurs. Enter claimed expenses in the SSI-E expenses field with the appropriate verification code on CARES screen AFUI when SSI-E income is entered.

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12.02.34  
Unemployment Compensation

Count Unemployment Compensation (UC).

12.02.35  
General Relief or Interim  
Assistance

Wisconsin no longer administers a General Relief (GR) program. However, some agencies administer their own GR or Interim Assistance (IA) program.

Count GR payments, including work relief, as income unless the payments can be excluded. For example, disregard GR vendor payments made to homeless people in transitional or temporary housing (02.02.00).

Do NOT count IA as income. Since there are always repayment agreements for IA, it is considered a loan to be repaid and should not be budgeted as income.

12.02.36  
Social Security  
  
AFMD

**Policy** - Count total gross income from Social Security payments less any repayments withheld due to previous overpayments of Social Security benefits. See Appendix 12.02.23 "Repayments"

**Procedure** - On AFUI, enter total Social Security income after subtracting Medicare premium amounts and repayments due to a previous overpayment of Social Security income.

Enter the buy-in information for the Medicare Part B premium on AFMD. CARES will use this information to determine if the Part B premium amount should be added to the income entered on AFUI in the budget. This will ensure that the Medicare premium amounts are correctly included in the total gross unearned income and correctly budgeted as a medical expense deduction.

Use screen AFSP to deduct any Child Support payments withheld from Social Security payments. This will ensure that Child Support payments are correctly included in the total gross unearned income and correctly budgeted as a Child Support payment deduction. See Appendix 16.05.00 "Child Support"

12.02.37  
Profit Sharing

Count income from recurring profit sharing payments.

12.02.39  
Interest, Dividends & Royalties

Count interest, dividend, and royalty payments as income if received directly. An interest check for a CD (Certificate of Deposit) is an example. See 11.04.30.

12.02.38  
Trust Funds

Count moneys withdrawn or dividends that are or could be received from an exempt trust fund.

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12.02.41  
VA Disability/Private Pension  
Payments

Count the gross amount of VA disability pension adjustments as unearned income in the month received. Count the gross amount of private disability payments as unearned income in the month received.

12.02.40  
Gifts

Count monetary gifts over \$30 a calendar quarter as unearned income.

12.02.41.01  
VA Aid and Attendant Payments

Exclude VA aid and attendant payments if:

1. The payment is for a past or future expense.
2. The payment is not in excess of the actual expense.
3. The payment is not for a normal household living expense.
4. The payment is used for the intended purpose.

Verify the claimed deductions at application, review, and when a change occurs. Manually deduct the verified expense(s) specified above from the VA payment before entering the balance on AFUI. Document your actions on Case Comments.

12.02.42  
Dottie Moore Penalty Payments

Disregard as income any penalty payment paid as a result of the Dottie Moore lawsuit by DHSS to any AFDC applicant or recipient. These \$50 to \$200 penalty payments have been ordered by the US District Court for the Eastern District of Wisconsin in Civil Action No. 80-C-118.

12.02.43  
Installment Contracts

Count any money received from an installment contract as unearned income. You may:

1. Count the income in the month received, or
2. Average it over the number of months between payments.  
For example, average a quarterly payment received in January over January, February and March.

The FS group must choose one of the above methods. Document the choice in the case record.

12.02.44  
Land Contract

Income from a land contract is unearned income. Deduct expenses (for example, taxes) the person must pay by the contract's terms from the gross amount. If received less often than monthly, prorate it over the period between payments. Ignore it until s/he first receives it after becoming eligible.

12.02.45  
Worker's Compensation

Worker's Compensation payments are awarded to an injured employee or his survivors under Federal or State Worker's Compensation programs and the Longshoremen and Harbor Worker's Act. The payments may be made by a Federal or State agency or an insurance company.

Count Worker's Compensation benefits as unearned income.

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12.02.46  
Nazi Persecution Victims

Disregard as income payments under PL 103-286 to victims of Nazi persecution.

12.02.47  
Crime Act of 1984

Disregard as income payments to crime victims under the Crime Act of 1984.

12.02.48  
Annuities and Lottery Winnings

Count annually paid annuities and lottery winnings as income by averaging them over 12-months. Do not count the entire amount in the month received.

12.02.50  
W-2 Payments

Count W-2 payments received under W-2T, or CSJ, or as the custodial parent of an infant, as unearned income. (See appendix 12.02.54 for Tribal TANF payments).

12.02.49  
Children of Vietnam Veterans Allowance For Spina Bifida

Disregard payments received under the provision of the Benefits for Children of Vietnam Veterans Who Are Born With Spina Bifida (PL 104-204). These payments are made to any child for a Vietnam veteran for any disability he or she experiences resulting from the spina bifida. Apply this disregard retroactively to 9-26-96. Continue this disregard as long as payments are identified separately.

12.02.51  
W-2 Trial Job Wages

The employer subsidy portion of W-2 Trial Job wages is counted as unearned income. Subtract the employer subsidy from the gross Trial Job Wages. The resulting amount is earned income and entitled to the Earned Income Deduction.

The earned income of TJB participants and the wage subsidies paid to their employers are automated in CARES. A new employment type, "T" and a new entry field for TJB wage subsidy amounts have both been added on AFEI. For TJB employment, enter a "T" as the employment type. Enter the wage subsidy portion of their earnings in the new, "TJB Subsidy," field on AFEI.

Go to AFDE and enter the total amount of estimated monthly gross earnings paid directly to the participant by the employer. CARES will budget these earnings correctly. The subsidy portion will be budgeted as unearned income and the remainder will be budgeted as earned income.

Make certain that ACWI has TJB entered for the placement code before you enter TJB income on AFEI.

12.02.52  
Caretaker Supplement for Children

Count Caretaker Supplement for Children (C-Supp) payments as unearned income.



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12.03.05  
Military Pay

Military pay cycles affect how income is counted. Count any income received on the last day of a month by an active member of the military as income in the following month.

Payment is issued the first day of the following month. When the first day of the following month is a holiday or weekend day, the payment is issued the last day of the current month (the month the income was earned).

**Example.** Bev would receive her second payment for August on September 1. September 1 is a Sunday, so the payment is issued to her August 31. The income month is September.

12.03.05.01  
GI Bill

All military personnel fund the GI bill through mandatory payroll deductions in their first year of service. Disregard these deductions.

12.03.05.02  
Family Subsistence Supplemental  
Allowance (FSSA)

Some military personnel are eligible for a supplemental payment if they meet the Food Stamp Program gross income limits. This is determined by military personnel. The FSSA allowance is considered gross earned income and is to be budgeted like other military income. However, it appears on a different line on the military paycheck.

12.03.06  
Contractual Income

Contractual income guidelines usually apply to teachers and other school employees.

Contractual income which is received from employment covered by an annually renewed contract should be averaged over a 12 month period, even if wages are only paid during the work period. Average the income even if predetermined non-work periods are in the contract, such as vacations or sabbaticals.

Contract income which is not the FS group's annual income should be averaged over the period the income is intended to cover.

**Example:** Sara is a student and works part-time. She enters into a contract with head of the chemistry department to do the bibliography and annotations on his latest book for the sum of \$800.00. Under the terms of the contract, Sara must complete the work within three months. Pro-rate the \$800.00 in income over three months.

Income from piece work or hourly work is not contractual income. Do not treat it as such.

12.03.07  
Farm & Self Employment

See 13.01.01 for instructions on calculating earned income from farming and self-employment.

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12.03.08  
Migrant Farm Workers

Don't assume, without supporting documentation or collateral contacts, that a migrant farm worker works 40 hours a week.

To determine migrant farm income:

1. Get a copy of any existing work agreement,
2. Contact the employer when necessary to find the hours of work and wage rate,
3. Ask the migrant how many hours s/he and members of his/her family expect to work and the wage rate they expect to be paid.

Most migrants work in fairly stable work environments such as canning factories or under some type of contract. In these cases, determine the employer's usual pay levels and pay periods, and project the hours and the rate of pay expected.

12.03.08.01  
Migrant Emergency Assistance

Disregard Emergency Assistance (OPM) or emergency General Assistance when either is given a migrant or seasonal farm worker FS group if:

1. The payment is provided to a 3rd party (vendored) on behalf of the migrant or seasonal farm worker; and,
2. The FS group was in the job stream when it was provided.

In all other instances see 12.04.00.

12.03.09  
Repayments

Disregard earned income used to repay an overpayment received earlier from that same source. Don't disregard more than the current amount of payment from that source.

Disregard earned income for this reason even if the earnings are mixed with other types of income and used to repay an overpayment.

**Example.** Jill works part-time for \$50 (net) a month and receives \$250 a month in Social Security (SSA) benefits. She is overpaid by her employer's error by \$200. If she pays back \$50 a month to the employer, don't count that \$50. If she pays back \$75 a month, only \$50 (equal to her regularly received earned income from the overpayment source) is not counted. The other \$25 is paid from her SSA benefit and is counted.

12.03.10  
Blood Or Plasma Sales

Count money received from the sale of a person's blood or plasma as earned income.

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12.03.11  
Senior Community Service  
Employment Program

Disregard income from the Title V Senior Community Service Employment Program (SCSEP) of the Older Americans Act. Organizations that receive Title V include, but are not limited to, the:

1. Experience Works Program.
2. National Council on Aging.
3. National Council of Senior Citizens.
4. American Association of Retired Persons.
5. U.S. Forest Service.
6. National Council on Black Aging.
7. National Urban League.
8. National Association for Spanish Speaking Elderly.

12.03.12  
Workforce Investment Act (WIA)

Disregard any allowances, earnings (except On The Job Training) or payments to FS group members participating in WIA programs, including Jobs Corps.

12.03.12.01  
WIA On The Job Training (OJT)

Count earnings from WIA On The Job Training when the earner is either:

1. At least 19 years old; or,
2. Less than 19 years but not under the parental control of a member of the same food unit.

Disregard the earnings when the earner is less than 19 and is under the parental control of a member of his/her food unit.

Disregard On The Job Training payments from the JTPA Summer Youth Employment and Training Program.

12.03.13  
Rental Income

Count income from real property rental when the owner is actively engage in its management at least an average of 20 hours a week as earned income. Otherwise count it as unearned income.

Only count the net amount of the income (the gross receipts less costs of generating the income). Use 13.04.02 to net this income.

12.03.14  
Training Allowances

Count any training allowance from a vocational or rehabilitative program recognized by a governmental agency that isn't an expense reimbursement as earned income.

12.03.16  
Nonrecurring Lump Sum  
Payments

Disregard earned income received as a nonrecurring lump sum payment. Count this income as an asset beginning with the month of receipt.

12.03.17  
Earned Income Tax (EITC)

Disregard as earned income any Earned Income Tax Credit (EITC) payments received by members of the FS group (11.04.18).

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12.03.18  
Jury Duty Payments

Since the method of payment for jury duty varies by jurisdiction, determine the specific manner in which an individual is being compensated before deciding how to count it. Count any portion of the payment which is over expenses as earned income, to be budgeted in the month received, assuming payment is made within the jurisdiction's usual payment is paid beyond this period.

If all or a portion of the jury duty payment is attributable to expenses incurred while serving (such as transportation costs), disregard this portion as a reimbursement (12.02.07).

12.03.19  
Baby-sitting

Count any money received as payment for baby-sitting or child care as self-employment income if the care is provided in the FS group's home. See 13.01.01. If a self-employed child care provider also provides meals, they may be entitled to income deductions. See 13.05.03.03.

If the care is not provided in the member's home, count the payments as regular earned income.

12.03.20  
Sick & Severance Pay (Earned)

Count any moneys received for sick days and severance pay from an employer or union as earned income. See 12.02.32.

12.03.21  
Students

Disregard earned income of any person 17 years or younger, who is a household member under parental control of an adult household member and is enrolled in an elementary, high school, technical school, or university. This includes GED classes, and home schools recognized or supervised by the state or local board of education.

Disregard the income until the month following the month in which the person turns 18 years of age.

These provisions apply to semester and vacation breaks provided the student plans to return to school following the break.

12.03.22  
Boarders

Count the boarder's income and assets only if s/he is a member of the food unit (01.04.00).

12.03.23  
Census Earnings

Disregard all wages paid by the U.S. Census Bureau for temporary employment related to census 2000 activities during the year 2000 census.

12.03.24  
Wages

Count any wages, tips, or salaries as earned income.

12.03.25  
Governor's Central City Initiative

Count any hourly income from participation in this program as earned income. This program is only in Milwaukee county.

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12.03.26  
National & Community Service  
Trust Act

Disregard allowance, earnings, and payments to participants in the National & Community Service Trust Act of 1993 (NCTSA). Programs included in this act are:

AmeriCorps Network of Programs - The network of programs developed to engage Americans in a year or two of national service in exchange for an education award of \$4,725 per year of completed service.

The AmeriCorps Network of Programs include:

AmeriCorps\*USA - for participants 17 years and older;

AmeriCorps - for participants 18 years and older; and

AmeriCorps\*NCCC - for participants 16 to 24 years of age.

(See 12.02.13.01 to contrast with AmeriCorps\*Vista, which is different)

There is no longer an On the Job Training (OJT) component of AmeriCorps. All AmeriCorps income is exempt for food stamps.

Serve-America - The program involves school aged youth in community service, recruits adult volunteers in the schools, and provides service training in elementary and secondary schools.

Higher Education Innovative Projects - Institutions of higher education integrate service into the curriculum, develop teacher and volunteer training programs, and involve students in community service.

American Conservation and Youth Service Corps -Teenagers and young adults receive job and skill training, living allowances and scholarships as they provide community service. Special corps members, such as senior citizens, may be included if they provide special skills to the program.

National and Community Service Programs - Employees are age 17 or older and work full-time or part-time. They received education or housing benefits upon completing their term.

12.03.27  
W-2 Trial Job Wages

To budget W-2 Trial Job wages, see Section 12.02.51.

12.03.28  
Attendant Care Payments

Attendant care payments provided by an outside source are treated as earned income for the attendant if the care is for a disabled household member.

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12.04.00  
Vendor Payments

A vendor payment is diverted by the provider of the payment to a 3rd party for an expense of the FS group.

Vendor payments may be counted or disregarded as income. Ask, "Is the vendor payments something legally obligated to the FS group?" If yes, count the vendor payment or benefit as income.

Examples of vendor payments counted as income are:

1. Garnished wages paid to a 3rd party for a FS group's debts or expenses such as rent.
2. W-2 and GR payments that aren't paid directly to the recipient. These include vendored or vouchered payments and those paid to a protective payee. Count them as unearned income.
3. Vendored W-2 and GR payments made to a third party for homeless FS groups living in transitional or temporary housing (02.02.00).
4. Money deducted or diverted from a binding written support or alimony payment to a 3rd party for a FS group's expense. This includes court ordered support or alimony payments.
5. Educational loans on which payment is deferred, grants, scholarships, fellowships, Veteran's educational benefits and the like, provided to a 3rd party on behalf of the FS group for living expenses such as rent or mortgage, clothing or food eaten at home.
6. Unemployment compensation benefits intercepted by CS agencies.

12.04.01  
Disregarded Vendor Payments

Disregard a payment made by anyone to a 3rd party for an expense of the FS group when the funds are not owed to that FS group.

Only disregard the vendor payment to the extent it does not exceed actual expenses.

Some examples of disregarded vendor payments are:

1. Payments in behalf of the FS group made by a relative who is not a member of the FS group as a gift or other contribution.
2. Rental payments made by HUD to a landlord.
3. Payments made by a government agency directly to a child care institution to provide for a FS group member (16.5.0).
4. Payment of a group's medical bills made directly to the medical provider by any 3rd party, such as an insurance company or GR.
5. Payments specified by a court order or other legally binding agreement to go directly to a 3rd party instead of the FS group are excluded because they are not otherwise payable to the household.

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**Example 1:** In Fred and Tina's divorce judgment the court orders Fred to pay \$400 a month in child support. In addition, the court orders Fred to pay \$200 a month to a health insurance company for the children's health care coverage. The \$400 is counted as income to Tina's household and the \$200 is excluded from income, because it is not otherwise owed to the FS group.

6. Support payments not required by a court order or other legally binding agreement paid to a 3rd party rather than the FS group. This included payment over the amount specified in a court order or written agreement.
7. Educational aid that is paid to a 3rd party rather than the FS group for purposes other than living expense. A vendor payment to a school for tuition is an example.
8. Emergency assistance from state or local funds which is over and above the assistance grant (s).

**Example 2:** Xao loses all his belongs in a fire. An emergency payment voucher is given to a clothing store. Disregard the payment as it is an extra payment used for an emergency.

**Example 3:** Lois receives a food voucher every month. Count the payment as income because it is not an extra or emergency payment. It is the normal grant.

9. Payments made by the State of Wisconsin for Medicare Part A and B coverage under the QMB, SLMB, or ALMB programs.

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13.01.01  
Income

Self-employment income is income earned directly from one's own business rather than as an employee with a specified salary or wages from an employer.

Babysitting in someone else's home is regular employment. Providing child care in your own home or business is self-employment. See 12.03.19.

13.01.02  
Business

A business is an endeavor engaged in as a means of livelihood such as a trade, profession or other operation that produces income, including farm and rental income.

13.01.03  
Operating

A business is operating when it is ready to function for its specific purpose. It is operating from when it first opens and generally continues uninterrupted to the present.

A business is operating if it is ready for business, even if there are no sales and no work is being performed. Thus, a seasonal business operates in the off season (unless there's been a significant change in circumstances).

A business isn't operating when it can't function in its specific purpose.

**Example.** A mechanic can't work for 4 months because of an illness. S/he may claim the business wasn't operating for those months.

13.01.04  
IM Income

IM income is income from self-employment that is adjusted when determining eligibility and benefits for economic assistance.

13.01.05  
Real Property

Real property means land and most things attached to it, such as buildings and vegetation.

13.01.06  
Nonreal Property

Nonreal property means all property other than real property.

13.02.00  
Identify Farms and Other  
Businesses

You can identify a farm or other business by these criteria:

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### **By Organization**

It is organized in 1 of 3 ways:

1. A sole proprietorship is an unincorporated business owned by 1 person.
  
2. A partnership exists when 2 or more persons associate to conduct business. Each contributes money, property, labor, or skills, and expects to share in the profits and losses. Partnerships are unincorporated.
  
3. A corporation is a legal entity authorized by a state to operate under the rules of its charter. There may be one or because a corporation:
  - a. Is taxed as an entity rather than its owners being taxed as individuals.
  
  - b. Provides only limited liability. Each owner's loss is limited to his/her investment, while each owner of an unincorporated business is also personally liable.

### **By IRS Tax Forms**

A self-employed person earning more than \$400 annual net income must file an end-of-year federal tax return. Anyone who owes more than \$400 in taxes at the end of the year must file quarterly estimates.

These are the IRS tax forms for reporting self-employment income. The source of income for a sole proprietorship is also listed for Form 1040.

1. Form 1065 - Partnership
2. Form 1120 - Corporation
3. Form 1120S - S Corporation
4. Form 1040 - Sole Proprietorship
  - a. Schedule C - Business (nonfarm)
  - b. Schedule E - Rental and Royalty
  - c. Schedule F - Farm

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**By Employee Status**

A person is an employee if s/he is under the direct "wield and control" of an employer. The employer has the right to control the method and result of the employee's service.

A self-employed person earns income directly from his/her own business, and:

1. Does not have federal income tax and FICA payments withheld from a paycheck.
2. Does not complete a W-4 for an employer.
3. Is not covered by employer liability insurance or worker's compensation.
4. Is responsible for his/her own work schedule.

Examples of self-employment are:

1. Businesses that receive income regularly, for example, daily, weekly, or monthly.
  - a. Merchant
  - b. Small business
  - c. Commercial boarding house owner or operator
  - d. Owner of rental property
2. Service businesses that receive income frequently and, possibly, sporadically.
  - a. Craft persons
  - b. Repair persons
  - c. Franchise holders
  - d. Commission sales persons (door-to-door sales, delivery, etc.)
  - e. Subcontractors
  - f. Sellers of blood and blood plasma.
3. Businesses that receive income seasonally.
  - a. Summer or tourist oriented business
  - b. Seasonal farmers (custom farm machine operators)
  - c. Migrant farm work crew leaders
  - d. Fishers, trappers, hunters
  - e. Roofers
4. Farming, including income from cultivating the soil or raising or harvesting agricultural commodities, earned by full-time, part-time, or hobby farming.
5. Fishing, crayfishing, or lobstering with gross annual proceeds or expected income of \$1,000 or more.

13.03.01  
Assets- Excluding Assets

Self-employment or business assets are generally income producing property.

Exclude assets directly related and essential to producing goods or services.

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13.03.02  
Vehicles

Disregard the value of all vehicles.

13.03.03  
Bank Accounts

With corporations you can easily distinguish between personal and business checking and savings accounts. A corporation is a separate legal entity and the accounts the corporation owns must be in its name. Accounts in the name of the owners are personal accounts.

In a partnership or sole-proprietorship, a cash account is a business account if the person claims that it is a business account. Disregard the account even if a partner or sole-proprietor withdraws from it for personal use.

13.04.00  
Income

All self-employment income is earned income, except royalty income and some rental income.

Self-employment income is income that is reported to the IRS (13.02.02) as farm, self-employment, rental, or royalty income. If it isn't reported to the IRS, you must judge if it is self employment income.

Generally self-employment is income from operating a business, related to the purpose for which the business was set up. Some other types of self-employment income are listed below.

13.04.01  
Capital and Ordinary Gains

Capital and ordinary gain from selling assets: IRS taxes each with a different tax rate. However, include the entire gain or loss from IRS form 4797 in IM income.

13.04.02  
Rental Income

Rental income is rents received from property owned or controlled. IM income includes gross receipts minus allowable business expenses. Rental income is earned if the owner actively manages the property on an average of 20 or more hours a week. If the owner doesn't report it to the IRS as self-employment income, add "net rent" to any other unearned income.

1. When the owner isn't an occupant, "net rent" is the total rent payment(s) received minus the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes.

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2. When income is received from a multi-unit property and the owner lives in one of the units, compute "net rent" as follows:

- a. Add the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes common to the entire operation.
- b. Multiply the number of rental units by the total in step (a).
- c. Divide the result in (b) by the total number of units, to get the proportionate share.
- d. Add the proportionate share to any operating costs paid that are unique to the rental unit. This equals total expenses.
- e. Subtract total expenses from total rent payments to get net rent.

13.04.03  
Royalty Income

Royalty income is unearned income received for granting the use of property owned or controlled. Examples are patents, copyrighted material or natural resources. Royalties often are a percentage of receipts from using the property or an amount for each unit produced.

13.05.00  
Calculate IM Income

Calculate IM income either by:

1. Averaging income using IRS tax forms (13.05.01.03) completed for the previous year, or
2. Calculating anticipated earnings using the Self Employment Income Report Forms (SEIRF) (13.05.02.01).

Continue to process the group through the Financial Unit after the SEIRF or IRS forms are completed.

13.05.01  
Averaging Income

Average self-employment income which represents a household's yearly income over a 12 month period, even if the income is received within only a short period of time during that 12 months.

13.05.01.01  
Part-Year Income

Average self-employment income which is intended to meet the FS group's needs for only part of the year over the period of time the income is intended to cover.

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**Example :** A self-employed vendor works only from the beginning of May through the end of August and supplements this income from other sources during the balance of the year. Average his self-employment income over a 4-month period rather than a 12-month period.

13.05.01.02  
IRS Tax Forms

Use IRS tax forms to average income only if:

1. The business was in operation at least 1 full month during the previous tax year,
2. The business has been in operation 6 or more months at the time of the application, and
3. The person doesn't claim a change in circumstances since the previous year.

If all 3 conditions aren't met, use the SEIRF to calculate the anticipated earnings (13.05.02).

If the IRS tax forms aren't completed, tell the client to complete the appropriate form(s). Don't fill out any IRS tax form yourself. This is solely the client's responsibility.

13.05.01.03  
Worksheets

To calculate IM income, use the self-employment income worksheets to adjust the income figure on the IRS tax forms. The worksheets identify net income and depreciation (also known as depletion or amortization). You must add back in depreciation on the IRS form as indicated on the worksheet.

Each worksheet is divided into 3 columns:

1. The first column describes what is on the line.
2. The second column gives the location of the values to be entered in the third column.
3. The third column sets the calculation to be done.

For each operation, select the worksheet you need. Use the provided tax forms and/or schedule, to complete the worksheet.

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The worksheets are:

1. [Sole Proprietor](#)

- a. IRS Schedule C, Form 1040: Nonfarm Business Income
- b. IRS Schedule E, Form 1040: Rental & Royalty Income
- c. IRS Schedule F, Form 1040: Farm Income
- d. IRS Form 4797: Capital & Ordinary Gains

2. [Partnership](#)

- a. IRS Form 1065: Partnership Income
- b. IRS Schedule K-1, Form 1065: Partner's Share of Income

3. [Corporation](#)

IRS Form 1120: Corporation Income

4. [Subchapter S Corporation](#)

- a. IRS Form 1120S: Small Business Corporation Income
- b. IRS Schedule K-1, Form 1120S: Shareholder's Share of Income

Next, divide IM income by the number of months the business was in operation, including partial months, during the previous tax year. The result is monthly IM-income. Add this to the FS group's other earned and unearned income. If monthly IM-income is a loss, add zero to the income that is not self-employment income.

When a household has more than 1 self-employment operation, the losses of one can offset the profits of another. However, don't use losses from self-employment to offset other earned or unearned income, except farm income. Offset farm income losses with any other countable income only if the farmer received or anticipates receiving annual gross proceeds of \$1,000 or more from the farm operation.

If you use more than 1 worksheet because there's more than 1 operation, combine the result of each worksheet into 1 monthly IM income amount. Then add that total to any other income. A salary or wage paid to a FS group member is an allowable business expense, but also is earned income to the payee.

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13.05.02  
Self Employment Income Report  
Form (SEIRF)

The SEIRF simplifies reporting income and expenses when earnings must be anticipated. The client must enter retrospective income information on the SEIRF to determine an average. Budget this average prospectively.

It is modeled after IRS Form 1040, Schedule C. Use it to report income for any type of business with any form of business. However, farm operators may find it easier to complete the IRS tax form instead when income and expenses are more complex.

13.05.02.01  
Anticipating Earnings

Calculate self-employment income based on anticipated earnings when:

1. The business was not in operation for at least one full month in the prior tax year.
2. The business has not been in operation for six or more months at the time of the application.
3. Past circumstances do not represent the present.

A change in circumstances is any change that is expected to impact income or any consistent change in income over time. The person is responsible for reporting changes.

Examples of changed circumstances are:

1. The start of a business.
2. The owner sold or simply closed the business.
3. The owner sold a part of his business, for example, 1 of 2 retail stores.
4. The owner is ill or injured and will be unable to operate the business for awhile.
5. A plumber gets a contract on a new apartment complex. The job will take 9 months and his/her income will increase.
6. A farmer suffers unusual crop loss due to the weather or other circumstances.
7. There's a substantial cost increase for a particular material causing less profit for each unit sold.
8. Sales, for an unknown reason, are consistently below previous levels. The relevant period may vary depending on the type of business (consider normal sales fluctuations).

The date of an income change is the date you agree a change occurred. You must judge whether the person's report was timely to decide any over- or underpayment.

Changes are effective according to the normal prospective budgeting cycle. Don't recover payments made before the agreed on date. Apply this to clear cut business beginnings, endings, and fluctuations.

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To anticipate earnings:

1. Average IM income over the past months beginning when circumstances changed if 6 or more months have passed since the change.
2. Calculate a cumulative monthly average when the change was less than 6 months ago, and when a new business has been operating for less than 6 months.
3. Use the 6 months' average until the person reports a completed IRS tax form for the year during which the SEIRF average was established or a change in circumstances occurs at or between reviews.

**Example 1:** Jessica applies for FS March 2003 and had started self-employment in November 2002. The agency starts a six-month SEIRF average because the business hasn't been in business 6 months. At the September review, no significant change is reported and the worker continues to use the 6-month SEIRF until the 2003 taxes are completed.

S/he may complete the SEIRF for each month separately or total the months on one SEIRF.

1. For 6 or more months of operation since the change, calculate monthly average IM income and use it for the rest of the year.
2. For changes in months 1 through 5, calculate: monthly average IM income and the cumulative monthly average over 6 months of operation.
3. For less than 1 month of operation since the change, the person must estimate income and expenses for the next 2 months on a SEIRF. Divide the estimate by 2 to get monthly IM income for the 1st 2 months.

Next, calculate the cumulative monthly average over 6 months of operation.

When there are less than 6 months of operation:

1. The person must complete a SEIRF for each month of operation, including partial months, until s/he has reported 6 months of operation.
2. Keep a cumulative monthly average of IM income reported until the average covers 6 months.

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**Example 2:** At review, a person reports 3 months of operation and completes 3 SEIRFs. Total the IM income from the 3 SEIRFs. Divide the total by 3 for a monthly average.

When you receive the 4th SEIRF:

- a. Add IM income for the 4th month to the total for the first 3 months.
- b. Divide the result in (a) by 4 to get the new cumulative monthly average.

If the SEIRF isn't completed, tell the client to complete it. Don't fill out the SEIRF yourself.

13.05.03.01  
Deductions -Shelter

When the group does not identify the shelter expense for self-employment, the group may not use the shelter expense as a business deduction. Use all of the expense for the shelter deduction. Do not allow money which has been deducted as a business expense on taxes as a shelter deduction. If a FS group claims a percentage of its shelter costs as a business expense, allow the remaining percentage as a shelter deduction.

If the FS group claims the total shelter costs as a business expense, don't allow any shelter deduction.

**Example :** Fred, a self-employed farmer, uses 50% of his insurance and taxes as a business deduction. His yearly insurance and taxes are \$1200. Use the remaining \$600 as a shelter deduction. Prorate the \$600 over 12 months.

13.05.03.02  
Deductions- Utility

If the group deducts a percentage of its utility expenses on taxes, it is allowed the full SUA for the utility expenses. See 16.08.00. If the FS group claims the total utility costs as a business expense, don't allow any utility deduction.

13.05.03.03  
Self-employed Child Care  
Provider

An FS group which has earned income from self-employment as a child care provider can deduct the cost of meals provided to the enrolled children from the income earned by the child care business. See 12.03.19. They may report the actual cost of the meals or they may use the federal standard deductions. Tier 1 applies to households with income at or under 185% of the Federal poverty income guidelines; Tier 2 applies to all other households.

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**TIER 1**

Breakfast	\$0.99
Lunch or Supper	\$1.83
Supplement (snacks)	\$0.54

**TIER 2**

Breakfast	\$0.37
Lunch or Supper	\$1.10
Supplement (snacks)	\$0.15

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14.01.00  
Sponsor

A sponsor is a person who executes an affidavit of support or similar agreement for an Immigrant. The agreement is a condition of the immigrant's entry into the US promising to provide enough support to maintain the immigrant at or above the 125 percent of the poverty level.

There are two different affidavits of sponsor deeming. Those signed prior to December 19, 1997 (I-134), and those signed on or after December 19, 1997 (I-864).

14.02.00  
Affadavit of Support

**I-134 (pre-PRWORA)**

The I-134 form was the primary affidavit of support form used by INS before December 19, 1997; it is still used in some limited cases for immigrants who enter after that date.

Deeming applies for only the first three years in the United States. Deem the income and assets of the sponsor and the sponsor's spouse (if living together), to determine the immigrants eligibility.

**I-864**

No time limit on deeming (unless meets 14.03.01).

14.02.01  
Exemptions from Deeming

1. Immigrants whose sponsor has not signed a legally binding affidavit of support. This applies to immigrants whose sponsors signed affidavits of support before December 19, 1997. Immigrants, such as refugees, who are sponsored by an organization or group who also fall into this category.
2. Immigrants without sponsors.
3. Battered Spouse or Child Exception.
4. Sponsor in the same household. When the sponsor lives in the same household as the immigrant they are considered as one food group. Deeming does not apply because the sponsor's income and resources are already counted. There is no deeming exemption if the sponsor receives food stamps in another household.
5. Children.
6. Indigent Exception.

14.02.02  
Indigence

If the immigrant's household income, including any cash or in-kind assistance provided by the sponsor or others, does not exceed 130 percent of the poverty income limit for the household's size, the immigrant is entitled to an indigence exemption from deeming.

An immigrant who satisfies the indigence exemption criteria is exempt from deeming for 12 months and may be renewed for additional 12-month periods.

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14.03.00  
Deeming Process

Currently CARES does not support this Immigrant Sponsor Deeming policy. Until CARES is programmed to support this, please use this recommended work around to budget the deemed income and asset to the sponsored immigrant:

**Steps for the Sponsor:**

1. You may use CMCC to track the sponsor's income and assets manually; or
2. You may create the appropriate income/asset (AFEI/AFSE/AFUI/AALA) screens and enter \$0 in the amount field for all screens. Then in the appropriate AFEI/ AFSE/ AFUI/ AALA screen/s, enter the sponsor's actual income/assets in the comment fields for tracking purpose.
3. Manually calculate the sponsor's income and assets outside of CARES by using the immigrant sponsor deeming formula below to determine the deemed amount.

**Steps for the Sponsored Immigrant:**

1. Create the appropriate asset screen/s for the sponsored immigrant and enter the asset amount deemed from the sponsor to the appropriate asset screen.
2. Create AFUI and enter income deemed from the sponsor (manually calculated above) as other (OTFS) income.

Deem the income and assets of the sponsor and the sponsor's spouse (if living with the sponsor). Deem:

1. The total of non-exempt assets of the sponsor and the sponsor's spouse that exceeds \$1,500.
2. All earned income of the sponsor and sponsor's spouse reduced by 20% of their Earned Income Disregard, and by the gross income limit for a household equal in size to the sponsors household. If the sponsor signs an affidavit of support for more than one immigrant, the sponsor's income is pro-rated among the sponsored immigrants.

**Example 1:** Larry sponsors 2 immigrants (Harry and Mary). Larry signed an affidavit of support (I-864) sponsoring them. Larry lives with his wife (Karry), and their 2 children. Larry and Karry have \$2000 in a savings account, and \$3000 in combined earned income.

Assets:	\$2,000
Limit to Exempt:	<u>-\$1,500</u>
To Deem:	\$ 500
Earned Income:	\$3,000
E.I. Disregard (20%):	-\$ 600
Unearned Inc:	<u>+\$ 0</u>
Net Inc:	\$2,400

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**Example 1 continued:**

Net Inc:		\$2,400
Gross Inc. Limit (4)		<u>-\$1,994</u>
Inc. Deemed \$		406

Number of immigrants Sponsored: 02

Sponsor's contribution per immigrant: \$406/2+ \$ 203

14.03.01  
Sponsor Liability

Deeming of a sponsor's income and resources lasts until:

1. The immigrant becomes a naturalized citizen.
2. The immigrant obtains 40 qualifying quarters of work.
3. The sponsor leaves the U.S.
4. The sponsor becomes exempt from deeming (see 14.02.01).
5. The sponsor of the immigrant dies.
6. The sponsor signed I-134 (**pre-PRWORA**) and deeming applies for only the first three years in the United States.

14.04.00  
Verification of Sponsor's Income

The eligible sponsored immigrant is responsible for obtaining the cooperation of the sponsor and for providing the agency with the information and documentation necessary to calculate deemed income and resources. Follow normal verification procedures and change reporting requirements, assist the sponsored immigrant if needed. If necessary, INS through its SAVE program can provide the sponsor's name, address and SSN.

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14.04.01  
Additional Verification

The immigrant or immigrant's spouse must provide:

1. The income and assets of the immigrant's sponsor at the time the immigrant applies for FS. Include income and assets of the sponsor's spouse (if living with the sponsor).
2. The number of other immigrants for whom the sponsor has signed an affidavit of support or similar agreement.
3. The provision of the INA the immigrant was admitted under.
4. The date of the immigrant's entry or admission as a lawful permanent resident as established by INS.
5. The immigrant's date and place of birth, and immigrant registration number.
6. The number of dependents for Federal income tax purposes claimed by the sponsor and the sponsor's spouse (if living with the sponsor).

The sponsored immigrant is ineligible if verification is not received timely. S/he is ineligible until verification is received. If the immigrant refuses to provide needed information, other adult members of the immigrant's food unit must do so. If the same sponsor is responsible for the entire food group, the entire food group is ineligible until verification is provided.

Treat the income and assets of the ineligible immigrant as a disqualified member. Use the instructions in 15.03.00 to determine the eligibility of any remaining household members. If you later receive the verification, treat it as a reported change according to instructions outlined in 25.13.

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14.05.00  
Exempt Immigrants

Don't deem to any immigrant who has been:

1. Admitted to the U.S. through Deportation Withheld section 243 or 241 of the INA.
2. Admitted to the United States as a refugee as a result of an application, after March 31, 1980, under section 207 of the INA.
3. Paroled into the United States as a refugee under section 212(d)(5) of the INA.
4. Granted political asylum by the Attorney General under section 208 of the INA.
5. A Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (PL 96-442).
6. The dependent child of the sponsor or the sponsor's spouse.
7. Sponsored by an organization.
8. Admitted as a conditional entrant under section 203(a)(7) of the INA.

In addition, do not apply PRWORA sponsor deeming rules to:

9. A battered immigrant (adult or child) or the parent of a battered immigrant child, or the child of a battered parent as defined in 04.02.03.01, who are no longer living with the batterer, and who have demonstrated a substantial connection between the need for FS and the battering. This exemption lasts for a period of 12 months from the date of application. After 12 months the battered immigrants continue to be exempt from deeming with regard to the resources and income of the batterer only.

Code the battered immigrant adult or child or parent with the broadest immigrant eligibility category that applies to that person (e.g., a battered refugee immigrant, code as refugee). Document in case comments that the person is a battered immigrant and therefore exempt from sponsor deeming. Do not list the sponsor in CARES on ACCH. Do not list any of the sponsor's income and assets.

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15.01.00  
Instructions

A member(s) of the food unit has been kept out or removed from the FS group. You are told to deem or not deem this person's income and/or assets. Deem means allocate the amount from the person to the FS group, whether or not the money changes hands. Determine how his/her income and/or expenses affect the eligibility and benefit level of the FS group using the following instructions.

15.01.01  
Actually Contributing

Actually contributing means the person provides a portion of his/her income or assets. To be actually contributing to shelter costs, for example, the person must pay toward the household's shelter costs.

15.01.02  
Prorated Share

A prorated share or share is an evenly divided portion of something. It is the whole broken into equal parts. Divide and distribute using either the number of persons or groups involved. The proration depends on the item being prorated and the reason for the person's disqualification from the FS group.

15.02.00  
Ineligible Student

For an ineligible student, do the following.

15.02.01  
Income

Don't deem any of the ineligible student's income. If s/he actually contributes a portion to the FS group, count it as income to the FS group.

15.02.02  
Assets

Don't deem any asset owned solely by the ineligible student to the FS group. For jointly owned assets with a FS group member, see 11.01.04.02.

15.02.03  
Medical Expenses

Don't deem any of the student's medical expenses to the FS group.

15.02.04  
Dependent Care

Reduce the FS group's dependent care expenses by the amount the ineligible student actually pays or contributes to any dependent care charges.

15.02.05  
Shelter Expenses

If the ineligible student contributes to the group's shelter expenses in a known dollar amount, or percentage, reduce the group's expenses by the amount contributed. Don't include utilities in this computation.

If the ineligible student contributes an unknown amount, compute the FS group's expense. Prorate the total of all shelter expenses by the number of persons actually contributing toward the payment. Don't include utility expenses in this computation.

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**Example 1:** A food unit of 9 includes a FS group of 6 and 3 ineligible students. Three FS group members, and 2 ineligible students together pay shelter expenses of \$495.

The prorated share is shelter cost divided by the number of contributors:  $\$495/5 = \$99$ . The shares of the contributing AG members is  $\$297$  ( $3 \text{ AG members} * \$99 = \$297$ ).

15.02.06  
Utility Expenses

Food units that are billed for utilities should receive a standard utility allowance (16.08.00). Actual utility expenses are no longer allowed. Food units that contain ineligible members may receive a full standard utility allowance if at least one person in the food unit is billed for at least part of utility bill. Utility standards are no longer prorated.

**Example 1:** A food unit of 7 persons includes a FS group of 5 and 2 ineligible students. They are billed for heat, electricity, and a phone and therefore receive the HSUA of \$211. One of the students pays toward the utility expense and one of the AG members pays the rest. Do not prorate the standard. Budget the full \$211 as the utility expense for the AG.

15.03.00  
Ineligible Alien, Citizenship or  
SSN-Related Disqualification

When there is an ineligible alien, questionable citizenship, or SSN-related disqualification, do the following: Prorate the ineligible person's income between those in and out of the FS group. Calculate the amount of prorated unearned and earned income to deem to the FS group separately.

15.03.01  
Income

If the person has unearned income:

1. Determine his/her total nonexempt unearned income.
2. Add the number of members in the FS group to the number of ineligible persons.
3. Divide the amount in 1 by the total in 2.
4. Multiply the result in 3 by the number of FS group members. Deem the result to the FS group. Enter this amount with the FS group's other unearned income on the FS Worksheet, line 8.

**Example.** A food unit of 5 includes a FS group of 3 and 2 persons who are ineligible aliens. One alien has nonexempt unearned income of \$128 per month. The figures in the scheme above are: (a) \$128; (b)  $3+2=5$ ; (c)  $128/5=25.60$ ; (d)  $25.60 \times 3 = \$76.80$ . \$76.80 is the FS group's share of the unearned income.

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If the person has earned income:

1. Determine his/her total nonexempt earned income.
2. Deduct 20 percent of the total in 1.
3. Do steps 2, 3, & 4 (above). Enter the result on line 8 of the FS worksheet. Deem the earned income of a non-FS group member as unearned income to the FS group.

15.03.02  
Assets

Deem all the ineligible person's nonexempt assets to the FS group.

15.03.03  
Medical Expenses

When the FS group is eligible for a medical expense deduction (16.4.0):

1. Don't deem any of the ineligible person's payments for medical costs for his/her own care as expenses of the FS group.
2. Deem to the FS group a prorated amount of medical expenses for a group member's care billed to or paid by the ineligible person. Prorate using a ratio of FS group members to food unit members.

**Example 1:** The FS group contains a disabled person who is billed \$84 a month in medical expenses. A SSN ineligible food unit member pays the full \$84.

The food unit numbers 4 persons: 1 ineligible member and 3 FS group members. The ratio of FS group members to food unit members is 3:4.

The FS group's share is 3/4 of the expense.

$\$84 / 4$  (food unit members) = \$21.

$\$21 \times 3 = \$63$  (FS group's share).

The medical deduction policy allows only the amount over \$35 as a deduction.

The deduction is \$28 ( $\$63 - 35 = \$28$ ).

If there were 2 SSN ineligible persons in the food unit, the ratio would be 3:5. Deem to the FS group 3/5 of the medical expense in calculating its medical deduction. This is true even if only 1 of the ineligible food unit members was billed for or paid any of the eligible member's medical costs.

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**Example 2:** A 3 person food unit includes a FS group of 2 and an ineligible alien. The ineligible alien pays \$90 a month toward the elderly FS group members' \$91 monthly medical expense. The FS group pays \$1. The FS group's share is  $\$1 + 2/3$  of the remaining \$90.  $2/3$  of \$90 is \$60.

$\$60 + \$1 = \$61$ .  $\$61 - \$35 = \$26$ .

The FS group gets a \$26 medical deduction.

15.03.04  
Child Support (CS)

Deem to the FS group a prorated share of the amount of court ordered child support actually paid by the ineligible member to a non-household member. Deduct all but the ineligible member's prorated share from the household income. See 16.05.00.

**Example.** A food unit of 4 includes 3 FS group members and 1 ineligible alien. The ineligible alien pays \$100 legally obligated child support.

The prorated share is \$25 a person ( $\$100 / 4$ ).

The FS group's prorated child support deduction is \$75 ( $\$25 \times 3$ ), or  $3/4$  of the total payment.

15.03.05  
Dependent Care

Deem to the FS group a prorated share of the amount of the food unit's dependent care costs (Dependent Care Unit) paid by or billed to the ineligible person.

**Example.** A food unit of 5 includes 3 FS group members and 2 ineligible aliens. The food unit's monthly dependent care costs total \$275. An ineligible food unit member is billed for a portion of that total. 1 share is \$55 ( $\$275/5$ ). The FS group's prorated expense is \$165 ( $\$55 \times 3$ ), or  $3/5$  of the total costs.

15.03.06  
Shelter & Utility Expenses

Shelter expenses either billed to or paid by ineligible members are prorated among all members of the food unit, including all other ineligible (non-contributing) unit members. Add the prorated shares of the eligible food stamp assistance group members together to find the budgeted amount. Don't count the prorated portion for the ineligible member. Do this for shelter costs only but not for utility expenses. See 15.03.06.03 and 16.08.00 for utility expense budgeting for food units with ineligible individuals.

The only exception is when only the income of eligible members is to used to pay the entire shelter amount. This is regardless of whether there was a bill or who was billed. The food stamp assistance group is entitled to the entire expense in this case.

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15.03.06.01  
Shelter

**Example 1:** A household of 7 includes a food unit of 6 and a FS Assistance Group of 4 (see sociogram in [25.01](#)). The household contains 2 ineligible aliens that are in the Food Unit because they purchase and prepare together, a mom, her 2 kids, her boyfriend, and a friend who doesn't purchase or prepare with the unit.

Alien 1 and Mom are responsible for the rent of \$600 a month. Divide the shelter expense by the number of food unit members and multiply that by the number of remaining FS group members.  $\$600/6 = \$100$ .  $(\$100) * 4 = \$400$ . Budget \$400 as the rent amount. Show your calculation in case comments.

**Example 2:** Using the same household and sociogram in [25.01](#), assume the rent of \$600 is divided between the friend, mom, and Alien 1. Don't count the friend's portion of the rent when prorating. (see 16.7.0) The food unit's share of the rent is \$400. Divide the shelter expense by the number of food unit members and multiply that by the number of remaining FS group members.  $\$400/6 = \$66.66$ .  $(\$66.66) * (4) = \$266.66$ . Budget \$266.66 as the rent amount. Show your calculation in case comments.

**Example 3:** Using the same household and sociogram in [25.01](#), assume that the rent and utilities are supposed to be shared between the mom and Alien 1. However, Alien 1 is refusing to pay and mom is paying the entire rent and utilities. In this case, budget the entire expenses for the AG. See 15.03.06.

**Example 4:** Using a different household than those mentioned above or below, assume a family of 6 has applied for FS. The mother, father and 2 older siblings are ineligible aliens. The 2 youngest siblings are citizens and are the only AG members. The shelter expense of \$575/month is in the parents' names. The food unit = 6 and the AG = 2. Even though the children are not specifically obligated to pay the expenses, prorate a share of the expenses to the AG.  $\$575/6 = \$95.83$ .  $\$95.83 * 2 \text{ AG members} = \$191.67$ . Budget \$191.67 as the AG's shelter expense.

15.03.06.02  
Actual Expenses

Food stamp AGs may no longer choose to report actual expenses. If anyone in the food unit is billed for a utility expense, the entire FS AG receives the full utility standard(s). See 16.08.00.

15.03.06.03  
Standard

Food units that contain an ineligible member may receive a full utility standard if anyone in the food unit is billed for or receives any part of the bill. The utility standards are no longer prorated. See 16.08.00.

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**Example:** In the household listed in the sociogram in 15.03.06.01, Alien 1 and the Mom contribute towards the utility expenses and choose the Heating Standard Utility Allowance (HSUA). The HSUA = \$211. Budget the full \$211 for the unit since this standard is no longer prorated in this situation. Document in case comments.

15.04.00  
Gross Deemers and IPV or Work-Related Sanctions

CARES screen SFCD and SFCC

When you exclude a household member from the FS group for IPV or work-related sanction, continue to count that person's income, assets, and expenses as if s/he were still a FS group member. A person in this situation is known as a Gross Deemer and has a participation status code of GD on screen SFCC and SFCD in CARES.

Don't count the person who's ineligible for IPV or work-related sanction as a member of the FS group when you:

1. Test the FS group against any income limits.
2. Test the FS group against any asset limits.
3. Determine the FS group's benefits in the Allotment Unit.

15.05.00  
Fleeing Felons and Probation & Parole Violators

Deny eligibility to persons who are fleeing felons and/or probation/parole violators (19.01.00).

If the ineligible person is still in the home, count his or her income, assets, and expenses as if s/he were still a FS group member. Follow the procedure contained in 15.04.00 to do the household calculations.

15.06.00  
Drug Felon

Deny eligibility to a drug felon under the criteria in 19.02.00.

If the ineligible drug felon is still in the home count that person's income, assets, and expenses as if s/he was a member of the FS group. Follow the procedure contained in 15.04.00 to make those calculations.

15.07.00  
Child Support Cooperation

Deny eligibility to an individual who fails to cooperate with the Child Support Agency without good cause (10.01.00). Do not deny eligibility to the household.

Count the ineligible individual's income, assets, and expenses as if s/he was a member of the FS group. Follow the procedure contained in 15.04.00 to make those calculations.

15.08.00  
QC Sanctions

Food stamp recipients that refuse to participate in a Quality Control (QC) review are sanctioned from the food stamp program. The entire food unit is sanctioned if any individual refuses to participate in a QC review.

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There are two types of QC sanctions:

1. State QC review sanctions
2. Federal QC review sanctions

Food Units with a state QC review sanction are sanctioned in the next possible payment month through 95 days after the end of the annual quality control review period (September 30), or until the unit member(s) cooperate, whichever occurs first.

Food Units with a federal QC review sanction are sanctioned in the next possible payment month. The sanction extends through 7 months after the end of the annual quality review period (September 30) or until the food unit member(s) cooperate.

QC sanctions are completed on screen AIQC in CARES.

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16.01.00  
Rules

A FS group may be eligible for 7 deductions. They are: Standard, Earned Income, Medical, Child Support, Dependent Care, Shelter, and Utilities. Some FS groups are not allowed a deduction for some expenses and some expenses are not always deducted in full. Figure deductions after income and expense disregards. See 18.3.0 for a list of deductions.

16.01.01  
Budgeting

Subtract deductions following the same rules as you do in budgeting income. That is, when you budget income prospectively, budget deductions prospectively using the best information available.

16.01.02  
Amount Due

Use the amount charged to the FS group as the expense in your deduction calculations. The "amount charged" is the amount necessary to satisfy the debtor's obligation.

**Example 1:** A group is charged \$180 for dependent care, but pays only \$100. Use the amount charged (\$180) in your calculations.

**Example 2:** Jan has a lease that charges her \$85 a month for rent. The landlord reduces the rent to \$70 a month as repayment for tasks Jan performs and will continue to perform. The "amount charged" is \$70 as that is the amount necessary to satisfy the debt.

Subtract only currently due charges. Don't include past-due amounts even if the group pays both the current and past bill together.

**Example 3:** A group's dependent care expense is \$180 in April and it pays \$100 that month. You subtracted \$180 as an expense in your calculations. In May the group is billed \$260 (\$180 for May's expenses and \$80 past-due). Subtract only \$180 for May no matter how much the group pays on the May billing.

16.01.03  
Caution

Be careful: allow a particular expense only once.

16.01.04  
Calculation Period

Deduct allowable expenses for the month in which an expense is billed. Do not use the month of its due date unless both dates are in the same month. This does not apply if the expense varies, is irregular, or a one time cost.

**Example :** Include in the group's shelter expenses rent that is due each month even if the group hasn't yet paid the expense.

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16.01.05  
Fluctuating & Irregular Costs

The FS group may choose to average an allowable deduction when the costs fluctuate or are billed on other than a monthly basis. If there is a regular interval between billing periods, average the expense over those periods. If there is no regular interval, average the expense over the period the expense is intended to cover.

16.01.06  
One-time Costs

The FS group can count a one time only expense as 1 time deduction or average it over the certification period. If it chooses averaging, average it over the remaining months in the certification period following the report of the expense.

16.01.07  
Prohibited Deductions

Don't allow a deduction from any disregarded income. Make deductions only from countable income.

16.02.00  
Standard Deduction

Subtract the standard deduction (18.03.00) from a FS group's total income after the group passes all eligibility tests.

16.03.00  
Earned Income

Deduct 20% of an eligible FS group's earned income (FS Worksheet lines 7 & 12).

16.04.00  
Medical Expenses

Go to 16.4.1 Elderly, Disabled, Blind

16.04.01  
Elderly, Disabled Blind

Deduct the portion of allowable **medical costs incurred**, (16.04.03) by any elderly, disabled, or blind FS group member that exceeds \$35 a month. Add all their medical expenses and then test against the \$35.

See 16.04.05 and 16.04.06.

**Example.** Jill and Jack are blind. Each has \$25 in allowable monthly medical costs for a total of \$50. They get a \$15 medical expense deduction.  $\$50 - \$35 = \$15$ .

16.04.02  
Ineligible Members

See 15.01.00 Deeming and Ineligible Persons

16.04.03  
Medical Expenses

Allow previously acquired charges (not yet paid) and payments when calculating a medical expense deduction. Previously acquired charges include charges incurred anytime before or during the eligibility period, as long as the individual is still obligated for the expense. Payments include payments made only during the eligibility period. Do not use medical expenses paid prior to the eligibility period.

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**Example 1:** Jack has surgery in January and receives a hospital bill for \$400 in February. Jack then applies and becomes eligible for FS in April. At the time of application, Jack has not made any payments toward the medical bill. The ESS can use the entire \$400 hospital bill when calculating Jack's medical expense deduction.

**Example 2:** Jack has surgery in January and receives a hospital bill for \$400 in February. He makes his first \$50 monthly payment toward his medical bill in March. Jack then applies and becomes eligible for FS in April. The ESS cannot use the \$50 March payment when calculating the medical expense deduction. The worker can, however, use the remaining \$350 of the hospital bill ( $\$400 - \$50 = \$350$ ) to calculate the deduction.

16.04.04  
Verification

See 22.03.05 Medical Expenses Verification.

16.04.04.01  
Changes

FS households are not required to report changes in their medical expenses during the certification period. Any changes voluntarily reported by the recipient or authorized representative must be acted on and verified. Agencies are not required to act on or verify changes reported by a third party unless they can do so without contacting the recipient for further information or verification. The intent of this policy is to reduce the change reporting burden for elderly or disabled recipients.

At review, verify previously unreported medical expenses and total recurring medical expenses. Do not allow expenses that are no longer applicable.

16.04.05  
Allowed Expenses

Allowable medical expenses are:

1. Medical and dental care including psychotherapy and rehabilitation services provided by a state licensed practitioner or other qualified health professionals, including chiropractors and acupuncturists.
2. Hospitalization or outpatient treatment, nursing and nursing home care. This includes payments by the FS group for a person who was a FS group member immediately before entering a state recognized hospital or nursing home.
3. Prescription drugs when prescribed by a licensed medical practitioner authorized under state law. This includes the cost of postage for mail-order prescription drugs.
4. Over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional.

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5. Sickroom equipment (including rental), or other pre-scribed equipment, and medical supplies.

6. Health and hospitalization insurance premiums, including Medicare premiums. Nursing home care insurance policies are deductible only if the policy states that the benefits are intended to pay medical bills - then it is reasonable to conclude that the household member intends to use the benefits for paying medical bills rather than normal living expenses. Note the limitations under, "16.4.6 Expenses Not Allowed," item 3 below.

Only allow the premium of the elderly, disabled, or blind food unit member. For example, a mother pays \$165 for herself and her disabled son. If she only covered herself the payment would be \$100, therefore \$65 is the expense for the child. Count the \$65 as an allowed medical expense.

In the absence of specific information on how much of a premium is for the eligible food unit member, prorate the premium and allow the EBD member's portion of the premium as the expense.

7. Dentures, hearing aids, and prosthetics.

8. Purchase and maintenance costs of any animal specifically trained to serve the needs of disabled program participants, including the cost of food and veterinarian care. Reimbursement for these expenses is an allowable deduction if:

- a. It does not exceed the actual expense.
- b. It does not represent a gain or benefit to the household as do normal living expenses such as rent or mortgage, personal clothing or food eaten in the home.
- c. It is provided specifically for an identified expense.
- d. It is used for the purpose intended.

9. Eye glasses and contact lenses prescribed by an ophthalmologist or optometrist.

10. Reasonable cost of transportation and lodging to obtain medical care. For transportation, allow:

- a. The actual cost of the public carrier; or,
- b. If a private vehicle, the lesser of the mileage rate paid by the county, or by the state for unrepresented state employees.

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11. Charges for an attendant, homemaker, home health aide, child care, or housekeeper necessary due to age, infirmity or illness. Treat attendant care costs that qualify either as a medical or dependent care deduction as a medical deduction. Deduct an amount equal to the 1 person allotment if the household furnishes the majority of the attendant's meals. Use the allotment in effect the last time eligibility was determined. You must update the amount at the next scheduled review but may do so earlier.

12. Any cost-sharing, co-payment, or MA deductible expense incurred by an MA recipient, including MA deductible pre-payments.

13. Payments made on a loan's principal if it was used to pay a one-time medical expense. Don't allow loan expenses, such as interest.

14. BadgerCare and Medicaid Purchase Plan (MAPP) premiums.

15. The SeniorCare enrollment fee.

16. Lifeline/MedicAlert. The costs of Lifeline or MedicAlert devices used by persons to contact medical help in emergencies are an allowable medical expense deduction for food stamps if prescribed by a licensed practitioner or other qualified health professional.

16.04.06  
Expenses Not Allowed

Do not allow:

1. Expenses paid by or that will be paid by insurance.
2. Expenses paid by or to be paid by any governmental program, including MA and Medicare.
3. Costs of health and accident policies such as: any payable in lump sum settlements for dismemberment or death, or income maintenance policies covering mortgage or loan payments while the beneficiary is disabled.
4. Loan repayments for anything other than the loan's principal (see 12, in 16.04.05 Allowed Expenses).
5. Premiums for nursing home insurance policies that would not be used to cover allowed medical expenses.
6. Lying in costs for the birth of a child.

16.04.07  
Budgeting Medical Expenses  
including MA Deductible  
Expenses

Medicare premiums and any cost-sharing or deductible expenses incurred by MA recipients are allowable medical expense deductions. The deductible expenses actually incurred, or anticipated to be incurred on a monthly basis may be used to determine the amount of the FS medical expense deduction. The MA deductible amount itself does not necessarily determine the amount of the FS medical expense deduction, and should not automatically be averaged over the FS certification period to arrive at an excess medical expense deduction. Only allow the medical expenses incurred by elderly, disabled, or blind FS group members.

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**Example:** A FS group member has a MA deductible of \$400 for a 6 month MA certification period. Based on the verified expenses in the previous 6 months, the person anticipates he will incur \$100 per month in medical expenses. Enter \$100 in expenses on CARES screen AFME and CARES will allow \$65 in excess medical expenses for each month ( $\$100 - \$35 = \$65$ ). When the FS/MA group member meets the MA deductible and MA opens, the worker should remove the monthly excess medical deduction. Remember to check the medical expense screens whenever MA opens and adjust the expenses accordingly.

However, if the client makes a pre-payment or incurs a one time medical expense that may be used to meet the MA deductible, s/he has 4 choices in how that expense will be counted as a FS medical expense deduction:

1. Deduct it as a lump sum for 1 month, or
2. Enter into a payment plan with the medical provider and claim the monthly payment obligation under the payment plan. The monthly obligation can be claimed for as long as the original payment plan is in place, however amounts still due after they were budgeted during a previous FS certification period may not be included as part of the monthly expense. No incurred expense can be counted more than once, or
3. Choose to average the one time medical expense over the remaining months of the FS certification period. The averaging of the one time medical expense cannot extend past the certification period in which the expense was originally counted.
4. Choose to average the one-time medical expense over the period it was intended to cover.

**Example 1:** A disabled FS group member has a MA deductible of \$600. He meets the deductible with a one- time expense of \$850. He chooses to average the expense over the period it was intended to cover. The worker averages the non-reimbursable portion of the expense, \$600, over the remaining months of the MA deductible period.

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**Example 2:** A customer is certified for 12 months for FS and 6 months for MA with an \$800 deductible. During month 2 the customer incurs a one-time medical expense of \$4000. The MA deductible is met and the person becomes eligible for MA for the rest of the MA certification period. The non-reimbursable amount is \$800 since MA pays the remainder of the bill after the deductible is met.

For purposes of FS eligibility, s/he can do 1 of these:

1. Choose to have the entire non-reimbursable expense (\$800) applied to one month as an excess expense in the next possible benefit month.
2. Enter into a payment plan with the provider and the incurred monthly payment amount due is used to determine the excess medical expense. The payment plan can extend beyond the FS certification period as long as no part of the medical expense is counted more than once. For instance, if the payment plan calls for \$40 payments to be made each month for 20 months, the \$40 expense can be counted each month for 20 months. However, if the client falls behind in the payment plan and in the 21st month enters into a second payment plan to cover the remaining balance, DO NOT allow the remaining balance as a medical expense because it was already deducted during the previous 20 months.
3. Request that the \$800 be averaged over the remaining 10 months of the FS certification period. In which case, the monthly excess medical expense deduction would be:  
 $\$80 - \$35 = \$45$  each month for 10 months.
4. Request that the \$800 be averaged over the remaining 4 months of the MA certification period, or the period the expense is intended to cover. In which case, the monthly excess medical expense deduction would be  $\$200 - \$35 = \$165$  each month for 4 months.

The second option is also available when a client is billed for an allowable one-time medical expense prior to certification and has arranged to pay the expense on monthly basis over a period of time. If during this period of time the client applies for FS, the monthly installment amount due is an allowable expense for the excess medical deduction.

Except when an expense is averaged during a certification period, the expense should be budgeted in the month it is billed or otherwise becomes due, regardless of when the client intends to pay the expense. Allow the expense in the next possible benefit month. Under all of the one-time medical expense options, the amount incurred (not amount paid) is counted. The client may or may not pay the bill, that is why it is important to make sure that the expense is not counted more than once.

16.04.08  
Medicare Premiums

For Medicare recipients, enter the net Social Security amount (after Medicare deduction) on CARES screen AFUI and the Medicare premium on screen AFMD with the appropriate payor information.

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16.05.00  
Child Support

Deduct child support for FS households that pay court ordered child support to or for a nonhousehold member. In the situation where the custodial and noncustodial parents reunite in one household while one parent continues to pay child support under court order to the county/state agency, that household **can not** deduct the child support paid. If it comes back into the household from the agency it is **not** counted as income. See appendix 12.02.25.

The situation of a parent paying child support for a child living in his or her own household also occurs when the child moves between the parents' two households and one or both parents are under a court order to pay child support. The child support cannot be passed directly from parent to parent, it must first be paid to an individual or agency outside the household.

If child support is paid by a non-custodial parent (NCP) to an individual or agency outside the household for a child that currently resides with the NCP, allow the deduction for the NCP.

Determine the deduction amount by either the average child support:

1. Paid in the previous 6 months.
2. Paid during the certification period, based on a record of payment.

16.05.01  
Child Support Allowed Expenses

Allowable child support payments are:

1. All child support payments actually paid by eligible members including:
  - a. Arrearages,
  - b. Legally obligated payments made on behalf of the nonhousehold member (such as rent or mortgage payment), and
  - c. Legally obligated payments for health insurance.
2. A prorated share of child support paid by ineligible members (15.03.04).

16.05.02  
Child Support Expenses Not  
Allowed  
  
CFR 273.9(d)(5)}

Do not allow:

1. Maintenance,
2. Payments made in accord with a property settlement.
3. Lying in costs for the birth of a child.
4. The annual child support R&D fee, or
5. An employer's check withholding fee.

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16.05.02.01  
Family Support

If you are unable to determine which part of a family support payment is child support, prorate the payment among the group members it is intended for and exclude the spouses share as a deduction.

16.05.03  
Verifying Child Support Expenses

Verify expenses at application, review, and when a change is reported. See [22.01.00](#)

16.06.00  
Dependent Care

Subtract the cost of dependent care for either a minor or an adult as a deduction from the FS group's income if the dependent care is necessary to enable someone in the food unit to:

1. Keep or obtain employment.
2. Get training or education preparatory for employment.
3. Comply with employment and training requirements (FSET).

See the [Child Day Care Manual](#), Chapter 3, for further child care policy instructions regarding:

1. W-2 Child Care recipients who are also FSET or Learnfare participants. They may not have a co-pay obligation (Ch 2).
2. Costs above Child Care Deduction (Chapter 2 Section 5).

The maximum dependent care deduction is \$200 per month for each child under 2 years. The maximum dependent care deduction is \$175 per month for each child who is 2 years or older. The provider of the dependent care cannot be a member of the food unit.

Do not allow in-kind payments as a deduction. This includes free rent in exchange for child care. No income is counted, no rent deduction is allowed, and no child care deduction is allowed. See 12.01.03.

**Example.** A household member is a dependent care provider. S/he is compensated for providing dependent care by paying no rent. Do not allow the dependent care deduction.

Do not allow a dependent care deduction for the portion an agency pays directly to the dependent care provider. Deduct any amount the group actually incurs or pays above the vendored, vouchered, or reimbursed payment up to the maximum.

Determine the deduction prospectively by obtaining a best estimate of the applicant's payment obligation from the applicant, verifying the information, and documenting it in CARES.

16.07.00  
Shelter

Expenses are only allowed for the current residence. See 16.08.19 for temporary absence exceptions.

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Deduct shelter obligation amounts (not actual amount paid) which exceed 50% of the food unit's income after all other deductions are made. If shelter obligation amounts (not actual amount paid) are less than 50% of the food unit's income, don't allow a deduction.

The shelter deduction can't exceed the shelter maximum (18.3.0) unless there are elderly or disabled members. Food units containing elderly or disabled members have no shelter cap. Shelter expenses that are deductible include:

1. Rent
2. Home mortgage and property taxes (if not in the mortgage)
3. Countable utility expenses
4. Mobile home lot rent and loan payments
5. Insurance on the structure (if not included in the mortgage). If a household has a homeowner's insurance policy that includes insurance on the structure and household contents, but the costs cannot be separately identified, the total cost is allowable.
6. Second mortgages (regardless of what the mortgage is used for)
7. Special assessments.
8. Condominium fees or condo association fees.

CARES prorates shelter expenses if household members contribute in an unknown amount.

Do not count as shelter or utility expenses such surcharges as pet expenses, extra garage rentals, or air conditioning surcharges. The monthly amount of rent should be taken into consideration each month when the shelter deduction is determined without regard to when the rent is actually paid.

16.07.00.01  
Verifying Shelter Expenses

See 22.03.04 Shelter and Utilities Expenses and the Change Reporting section 25.13 of the Processing Guidelines chapter at 25.01.00.

16.07.01  
Natural Disaster

Count costs for the repair of damages to the FS group's home due to a natural disaster as a shelter expense. Examples of natural disasters are fires, floods, hurricanes, and so on.

Don't count expenses for repairs that have been or will be reimbursed to the FS group by any private or public relief agency, insurance company, or any other source.

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16.07.02  
Homeless Shelter Deduction

The homeless groups may be eligible for a standard utility allowance and shelter costs, if eligible. (16.07.00).

If a homeless group shares a residence with another food unit, the other food unit and the homeless food units are eligible for the HSUA as long as both groups contribute to the utility costs. Use instructions in 16.08.08.01.

Don't include back payments on previously owed shelter expenses since the expenses were incurred before the budgeting period. The exception to this is vendor payments that must be repaid. FS groups who have shelter expenses paid with a vendor payment can count the actual shelter costs if they repay the vendor payment.

**Example.** GR pays Gwen's shelter expenses while she is living in a homeless shelter during March. She agrees to pay the money back when she starts work. She is employed in April and moves. She incurs her March shelter costs in April since that is when she is expected to repay the GR payment. Her new shelter costs also are due in April. Include both March and April shelter costs for April. Use actual costs.

16.08.00  
Utility Allowances

There are deductions for various utility expenses. Expenses are only allowed for the current residence. See 16.08.19 for temporary absence exceptions.

FS Groups may no longer choose to report actual utility expenses. If eligible, a FS group with utility expenses is allowed one of the following utility standards:

1. The Heating Standard Utility Allowance (HSUA), if obligated to pay, or actually paying for any heating source.
2. The Limited Utility Allowance (LUA), if obligated to pay, or actually paying for *two or more* of any non-heat qualifying utility expenses. The qualifying utility expenses are phone, water, sewer, electric, cooking fuel, or trash.
3. The Electric Utility Allowance (EUA), if obligated to pay, or actually paying for only a non-heat electric bill.
4. The Cooking Fuel Utility Allowance (FUA), if obligated to pay, or actually paying for only a fuel used for cooking that is not also used for a heating source.
5. The Water Utility Allowance (WUA), if obligated to pay, or actually paying for only a water bill, a sewer bill, septic tank installation or maintenance, or wastewater treatment bill.
6. The Phone Utility Allowance (PUA), if obligated to pay, or actually paying for only a telephone, including cellular phones.
7. The Trash Utility Allowance (TUA), if obligated to pay, or actually paying for only a trash or garbage bill.

The FS group notifies the worker of its utilities and the group will receive the appropriate standard based on their utility bills. See 18.03.00 for the values of these standard utility deductions.

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**Example 1:** John's FS AG is billed for electricity and a phone expense. His heating source is forced air heat and it is included in the rent. His AG will receive the Limited Utility Allowance (LUA) because he has two or more non-heating utility expenses.

**Example 2:** Ella's FS AG is billed for a phone bill only. The AG has no other utility expenses. Her AG will only receive the Phone Utility Allowance (PUA).

**Example 3:** Jake's FS AG is billed for heat, electricity, and a phone expense. His AG will receive the Heating Standard Utility Allowance (HSUA) because he is billed for heat.

16.08.01  
HSUA Heating Expenses  
  
CARES screen AFTQ

Use the Heating Standard Utility Allowance (HSUA) for FS groups which are billed regularly for their heating costs separately from their rent or mortgage. These groups include:

a. Residents of rental housing who are billed each month by their landlord for actual usage as determined through individual meters.

b. Recipients of energy assistance payments from the Low Income Energy Assistance Act (LIHEAP). If any household member was included in a LIHEAP determination for their current residence, in the current or prior heating season, with a member of the food unit, even if the food unit is not receiving LIHEAP at application or review, the food unit is eligible for the HSUA. In situations with companion cases living in the same household, if both food units were included in the LIHEAP determination, both food units would be eligible for the HSUA.

**DEFINITION OF HEATING SEASON:**

A current heating season is defined as October 1 through May 15. A new season begins on October 1st of each year.

**Example 1 :**

Review July/03  
Current Heating season      10/02 - 5/03  
Previous Heating season      10/01 - 5/02

Review 10/03  
Current Heating season      10/03 - 5/04  
Previous Heating season      10/02 - 5/03

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If the recipient claims to have been included in a LIHEAP determination, verification will be required, and that could be in various forms, including DXLI. If they don't report being included in a LIHEAP determination, the expense is not allowed, following the same policy as other non-reported expense deductions.

FS groups that receive LIHEAP but are only responsible for part of the utility bill shall receive the full HSUA. "Billed regularly" means the group receives heating bills at predictable intervals. This includes "as needed" schedules, such as for fuel oil, wood, or LP.

FS Groups that share utility expenses with ineligible members (regardless of LIHEAP receipt) shall receive the full utility allowance. It is no longer prorated.

If the AG has received LIHEAP in the current or previous heating season, answer the first question on CARES screen AFTQ with a "Y." This will automatically give the AG the HSUA. See 16.08.04. The heating season is defined as October 1 through May 15 of each year.

**Example 2:** Mary and her three children are living with Mary's sister, Ellen and Ellen's two children. They are separate food units. Ellen applies for and receives a LIHEAP payment. Her LIHEAP determination includes Mary and her three children. Both Mary and Ellen are eligible for the HSUA deduction.

This is based on the assumption that all household members are included in a LIHEAP determination.

16.08.02  
Reserved

16.08.03  
Verifying Utilities

**Verify expenses at application, at review when changes are reported, and when the group moves, or reports a change.** See 22.03.04.

Process the case with no utility expenses if verification isn't provided in 30 days at application. Note the failure to verify in case comments on screen CMCC.

For reviews or ongoing reported changes, allow 10 days for verification. If the verification is not provided, do not allow the expense.

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16.08.04  
LIHEAP Payments

Count the entire Low Income Energy Assistance Program (LIHEAP) payments as an expense when determining the excess shelter deduction. Don't reduce or ignore fuel or utility expenses because the FS group received LIHEAP payments. Allow a fuel or utility deduction in the HSUA regardless of the payment method.

If the FS group receives a LIHEAP payment but is only responsible for part of the utility bill, allow the full HSUA. See also 16.08.01.

16.08.05  
Moves & Changes

Review fuel and utility expenses when a FS group moves to a new residence or its circumstances change. Change the expenses in CARES if needed. The correct standard will be automatically determined.

**Example 1:** A FS group moves from a place where it has been paying only for electricity to one where it has regular heating expenses. Change the group's utility allowance to the HSUA by entering the utility expense as a heating bill in CARES. If the group moves to a place with no fuel or utility expenses, end the other expenses.

Budget the new standard prospectively when the group moves or a change is reported. Make the change effective for the next possible payment month.

**Example 2:** A FS group receiving the HSUA moves on February 10 from a home where it was billed regularly for heating to one where it is billed regularly for electricity and a phone.

The change from the HSUA to the LUA will occur with the March allotment. If the same change occurred on February 25, the change from one standard to the other will occur with the April allotment.

16.08.06  
Reserved

16.08.07  
Bills in Other Name

When bills aren't in the FS group's name, assume that the group has the utility expenses:

1. If the group claims responsibility for the bill, and,
2. The address on the bill is the same as the FS group's address.

16.08.08  
Shared Utilities

This is a subsection heading. Go to the next paragraph for detailed information.

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16.08.08.01  
Shared Residence

Allow FS groups sharing both utility expenses and a residence the full utility standard. Utility standards are no longer prorated. It doesn't matter which group receives the bill. It also doesn't matter if the shared utilities and residence are with another FS group or with a non-eligible members.

You must receive verification of the expense (22.03.04), identify contributors, and enter each one separately in CARES. If at least one FS AG member is obligated to pay for or actually pays for a utility bill, the FS AG will receive the full utility standard (16.08.00 and 18.03.00).

16.08.08.02  
Different Residence

When FS groups share utility expenses but not a residence, both AGs may receive the full utility standard. Utility standards are no longer prorated.

**Example:** Two FS groups live in separate apartments but share 1 gas meter that is used to heat both apartments. Both AGs may receive the full HSUA (16.08.01).

16.08.08.03  
Ineligibles

First determine if the ineligible(s) are sharing utilities and residence (16.08.08.01) or sharing utilities and living in different residences (16.08.08.02). If the FS group is obligated to pay for or actually paying for a utility, the FS AG is entitled to a full utility standard. Utility standards are no longer prorated.

If shelter expenses are shared between a FS AG and ineligibles, go to 15.02.05 to determine the prorated share.

16.08.08.04  
Landlord Billed

If the landlord receives the bill from the utility company and bills each tenant an equal or prorated amount, then each tenant is entitled to the appropriate utility standard. (18.03.00)

16.08.09  
Heating with Wood

Allow the HSUA for any FS Group with wood heating expenses. Don't allow any costs associated with getting the wood (like chain saws, fuel, and cutting permits).

16.08.10  
Propane Gas

If propane gas is the FS group's primary heating source, they are allowed the HSUA. This includes costs of the propane and the rental fee for the tank.

16.08.11  
Reserved

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16.08.12  
HUD & FMHA

Disregard HUD and FMHA payments paid directly to the landlord or mortgage holder as an expense. Only include the amount the household owes after the payments as a rent expense.

Disregard HUD and FMHA utility reimbursement payments made directly to the household or utility provider as a utility expense. If there is a utility amount the household owes after the payments, allow the appropriate utility expense. See 16.08.00.

HUD utility reimbursements are not counted as income. See 12.02.02.

16.08.12.01  
HUD Payments on Behalf of  
Native Americans

Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the FS group.

16.08.13  
Subsidized Housing

A FS group living in subsidized housing may receive the appropriate standard. The household must be billed monthly to qualify for a standard. Individual metering satisfies the individual billing requirement. See 16.08.00.

16.08.14  
Deposits, Charges & Installation

Don't allow one-time utility deposits. Allow initial installation charges for utilities such as telephone, gas, and electricity.

16.08.15  
Self Employed

This is a subsection heading. Go to the next paragraph for detailed information.

16.08.15.01  
Self Employed Utility Allowances

When self-employed persons claim less than 100% of fuel and utility expenses as a business deduction on their tax forms, they are entitled to the the appropriate utility standard (16.08.00). If all expenses are claimed as a business deduction, no utility expenses are allowed.

16.08.16  
Reserved

16.08.17  
Overdue Amounts

Don't count any overdue amounts owed in payment as part of fuel and utility expenses.

16.08.18  
Water & Sewer

Actual utility costs are no longer allowed. If a food unit receives a water or sewer bill, they should receive the appropriate standard utility allowance. 18.03.00 and 16.08.00.

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16.08.19  
Temporary Absence

Allow shelter and utility expenses for a dwelling the FS group is temporarily absent from when the absence is caused by:

1. Employment or training away from home,
2. Illness, or
3. Abandonment due to a natural disaster or casualty loss.

Don't deduct shelter or utility expenses if:

1. The FS group doesn't intend to return to the home, or
2. Any current occupants of the home receive FS and are being allowed the shelter and/or utility expense deductions, or
3. The FS group rents or leases the home to others during their absence.

16.08.20  
Landlord Reimbursements

Tenants may be billed utility expenses for shared or common electrical devices for the benefit of all tenants, but wired through one tenant's meter.

A notice from the landlord to the tenant identifies that cost and the tenant's reimbursement.

Don't deduct the reimbursement.

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17.01.00  
Allotments

Determine allotments according to the information provided in the Nonfinancial Units and Financial Units. Don't issue an **initial** allotment if it is less than \$10. Select the FS group's allotment from the Allotment Table (18.06.00).

17.01.01  
FS Groups With 1 or 2 Persons

These following rules apply to 1 and 2 person FS groups

1. Categorically eligible (01.03.01) FS groups will get at least a \$10 minimum monthly allotment (18.06.00). The only exception is initial prorations.

The allotment table (18.06.00) covers most cases. However, for a 1 person FS group with income over \$1221, and a 2 person FS group with income over \$1644, the table doesn't show the minimum \$10 allotment. If you find CARES doesn't produce the \$10 benefit for a categorically eligible 1 or 2 person FS group, do so through a special action.

2. A mixed categorically eligible (01.03.02) or standard (01.03.03) FS group with income **within** the net income limit will always get at least \$10.
3. A mixed categorically eligible or standard FS group with income **above** the net income limit will always be ineligible.

17.01.02  
Net Income Limit

The allotment table (18.06.00) goes beyond the net income limit for many categorically eligible FS groups. This is because the categorically eligible are not subject to the net income limit (18.01.01).

17.01.03  
Initial Allotments for Expedited Issuance

See appendix 21.01.05 for this policy.

17.02.00  
Deny Increases Due To Penalties In Other Programs

Do not increase a FS group's allotment when an individual's cash benefits under any other federal, state or local means-tested public assistance program are reduced for failure to perform an act required by the other program. Specifically:

1. Failure to comply with work programs, or
2. Failure to comply with school attendance requirements (Learnfare).

**Example:** A W-2 participant intentionally fails to comply with a W-2 requirement and is sanctioned \$70.00 for non-participation. The W-2 group will only receive a check for \$603.00, but CARES will budget the full amount of \$673 for FS purposes.

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Means-tested public assistance programs include, but are not limited to, W-2 or the Refugee Assistance Program. SSI is not considered a means-tested program for these requirements.

Do not apply this policy if the FS group, or a new individual in the FS group, are determined ineligible for the means-tested program at application. The household must already be receiving benefits, and the failure to comply must result in a reduction, suspension, or termination of those benefits.

No increase in the FS allotment should be made for the duration of the penalty period. If other reductions or changes to the other program's benefits occur during the penalty period which are unrelated to the failure to comply, the FS allotment should be adjusted.

If the person or FS group is subject to a penalty period in both the FS program and another program, apply the FS penalty period first, if the other program's penalty period is longer, that continues after the FS period is completed.

17.03.00  
Deny Increases Due To Fraud In  
Other Programs

Do not increase a FS group's allotment when a person's cash benefits under a federal, state or local means-tested public assistance program are reduced because of an act of fraud under that program.

Means-tested benefit programs include, but are not limited to W-2 or Refugee Assistance. SSI is not considered a means-tested program for these requirements.

No increase in the FS allotment should be made for the duration of the fraud penalty period. This prohibition on increasing benefits follows a person with an IPV who moves to a different food unit. If other reductions or changes to the other program's benefits occur during the penalty period, which are unrelated to the fraud, the FS allotment should be adjusted.

17.04.00  
Notice of Adverse Action

A notice of adverse or negative action, regarding the termination or reduction of benefits must be mailed at least 10 days before the effective date of the action. When the last of these 10 days falls on a weekend or holiday extend the notice of adverse action period to the next working day. Continue or reinstate FS benefits if you or OAH receive the fair hearing request the first day following the weekend or holiday. Refer to IMM Chapter II, Part G, parts 2 and 8.2.0 for greater detail.

The notice period will run from 10 to 13 days depending on the date the notice is mailed.

17.05.00  
Re-applications

Give FS groups whose cases have been closed for any period of time prorated benefits for the month they reapply, unless the FS group meets one of the exceptions (17.05.01).

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**Example 1:** Marge's income increased when she got a new job and her case closed May 31. She lost her job and reapplies on June 16. She is found eligible. Give her prorated benefits for June.

**Example 2:** Vera's case closed Nov. 30. She reapplies on Jan. 3 and is found eligible. Give her prorated benefits for January.

17.05.01  
Exceptions

Give FS groups whose cases have been closed for less than a month benefits back to the first day of the month when a FS group:

1. Reapplies for FS, but the ESA causes a delay in determining eligibility.

**Example 1:** If a household waits until the 10th of the month following the end of its certification period to request recertification, it is a new application. Benefits will be prorated from the tenth of the month. Put new application date on ACPA to get correct prorated benefits.

**Example 2:** A household receives notice of an appointment for a recertification interview in the last month of its certification period, July 17th, and cannot attend the appointment because the primary person is working. The household asks to reschedule the appointment, but the next appointment the FS worker has available is August 5th. The household completes the recertification interview on August 5th, and provides all verification by August 8th. Do not prorate benefits for August. Issue benefits from the first of the month. DOCUMENT in CARES.

2. Contains a migrant or seasonal farm worker (17.05.02) who has participated in the FS program during the 30-day period before reapplying.

17.05.02  
Migrant and Seasonal Farm  
Workers

Issue full benefits for migrant or seasonal farm worker FS groups that contain at least one member who has participated in the FS program during the 30-day period before application.

Prorate benefits only for those migrant or seasonal households containing no members who participated during the 30 days before applying.

**Example.** A migrant household arrives in Wisconsin from Texas on April 20 and applies for FS. Their FS case closed in TX on March 31. Their first month of eligibility (April) is not their initial month. Consider it a continuation of benefits and issue a full allotment for April.

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**Example.** The migrant FS group arrives in Wisconsin on May 5 and applies for FS. Their case closed on March 31 in Texas and they didn't get benefits in April or the start of May. Their initial month is May since it has been more than 30 days since the last receipt of FS. Prorate benefits from the date of application.

17.05.02.01  
Migrants With EBT Cards

Migrant workers who arrive from another state with an FS Electronic Benefit Transfer (EBT) card can use the card in Wisconsin. The only EBT cards that can't be used here are from Ohio and Wyoming. Refer to Appendix 24.02.16.05.

Contact the issuing state to ensure that the applicant is not getting duplicate FS. The migrant applicant is not eligible for FS in Wisconsin during a month benefits were issued in another state.

17.06.00  
Voluntarily Refunded Food Stamp  
Coupons

Return to DHFS any food stamp coupons refunded to you by a FS group at your earliest opportunity. Void the stamps and send them to Tim Burnett at P.O. Box 2057, Madison, WI 53701-2057. List the household, case number, benefit number or month of benefit, amount returned, and reason for return.

Food stamp coupons may be returned because the FS group refunds them or the coupons were found. Document the case record appropriately.

17.07.00  
Destroyed Food

Replace food purchased with food stamp benefits and destroyed in a household misfortune or disaster up to the actual amount destroyed but not more than 1 month's allotment. Replacement issuances shall be provided only if a household reports the loss orally or in writing to the agency within 10 days of the date the loss occurred.

A replacement issuance must be provided to the household within 10 days after report of the loss. Verify the household misfortune or disaster through the fire department, police department, a community organization such as the Red Cross, a collateral contact or home visit.

Use auxiliary code 905, "Replace Destroyed Food" to issue the replacement allotment. There is no limit to the number of replacement issuances.

Deny or delay a replacement issuance if available documentation indicates that the household's request for replacement appears to be fraudulent.

Inform the household of its right to a fair hearing to contest the denial or delay of a replacement issuance. Replacements shall not be made while the denial or delay is being appealed.

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18.01.01  
Income Limits (net)

FS Group Size	Net Monthly Income Limit (100% FPL)
1	\$749
2	\$1,010
3	\$1,272
4	\$1,534
5	\$1,795
6	\$2,057
7	\$2,319
8	\$2,580
9	\$2,842
10	\$3,104
Each additional member +\$262	

18.01.02  
Income Limits (gross)

FS Group Size	Gross Monthly Income Limit (130% FPL)
1	\$973
2	\$1,313
3	\$1,654
4	\$1,994
5	\$2,334
6	\$2,674
7	\$3,014
8	\$3,354
9	\$3,695
10	\$4,036

Each Additional member + \$341

See the [Income Computation Unit](#) before applying the Gross Income Test

18.02.00  
Elderly and Disabled Seeking  
Separate Household Status

See [01.07.00](#)

Household Size	Gross Monthly Income Limit (165% FPL)
1	\$1,235
2	\$1,667
3	\$2,099
4	\$2,530

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5	\$2,962
6	\$3,394
7	\$3,826
8	\$4,257
9	\$4,689
10	\$5,121
Each additional member	+\$432

18.03.00  
Deductions

**Deduction Type** **Amount**

**Standard**

For AGs with 1-4 people	\$134
For AGs with 5 people	\$149
For AGs with 6 or more people	\$171

**Dependent Care** for each dependent:

under 2	\$200
2 and over	\$175

**Shelter and Utility Allowances**

Shelter Maximum	\$378
HSUA (Heating Standard Utility Allowance)	\$241
LUA (Limited Utility Allowance)	\$133
EUA (Electric Utility Allowance)	\$66
PUA (Phone Utility Allowance)	\$23
WUA (Water or Sewer Utility Allowance)	\$22
TUA (Trash Utility Allowance)	\$15
FUA (Cooking Fuel Utility Allowance)	\$23

**Medical Allowance**

Medical (Elderly & Disabled) expenses over \$35

18.04.00  
Monthly Maximum Allotment

**Monthly Maximum Allotment**

**FS Group Size** **Maximum Allotment**

1	\$141
2	\$259
3	\$371
4	\$471
5	\$560
6	\$672
7	\$743
8	\$849
9	\$955
10	\$1,061

Each additional member \$106

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18.05.00  
Disqualification

**Divested Assets over the  
Group's Asset limit**

**# of Months Disqualified**

\$>0 - \$249.99	One (1)
\$250 - \$999.99	Three (3)
\$1,000 - \$2,999.99	Six (6)
\$3,000 - \$4,999.99	Nine (9)
\$5,000 or more	Twelve (12)

18.06.00  
Allotment by monthly net income  
and FS Group Size

**Note:** Some of the tables found here were required to be scanned in portrait mode but were originally written in landscape mode. Therefore, the text may be sideways when you first see the document. To rotate the text, click on the link first, then from Acrobat's toolbar, choose View>Rotate and choose either clockwise or counterclockwise as appropriate.

If you don't see that option on your toolbar, look for the rotate icon, which looks like a piece of paper with a curved arrow on the top.

**Current Allotment Table**

[Allotment by Monthly Net Income and FS Group Size](#) Effective 10/01/03 through 09/30/04

**Prior Years' Allotment Tables**

[Allotment by Monthly Net Income and FS Group Size](#) Effective 10/01/02 through 09/30/03

[Allotment By Monthly Net Income and FS Group Size](#)  
Effective 10/01/01 through 09/30/02

[Allotment by Monthly Net Income and FS Group Size](#) Effective 10/01/00 through 09/30/01

[Allotment by Monthly Net Income and FS Group Size](#) Effective 10/01/99 through 09/30/00

18.07.00  
Questionable Food Items

This is a list of [questionable food items](#) that can or cannot be purchased with an EBT card.

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19.01.00  
Fleeing Felons and Probation and  
Parole Violators

Deny FS Program eligibility to persons who are fleeing felons and/or probation/parole violators.

A fleeing felon is a person who is fleeing to avoid prosecution or custody/ confinement after a felony conviction. A probation and parole violator is a person who is in violation of conditions of probation or parole imposed by state or federal law.

Until the CARES application is revised, obtain felon information by asking the client at application or review if any household members meet the above criteria. Document the response in case comments.

Upon the written request of a local, state, or federal law enforcement officer when a food unit member is fleeing to avoid prosecution or custody for a crime that would be classified as a felony or is violating a condition of probation or parole, you must provide an address, social security number, and if available, the photograph to the law enforcement official. This also applies to other food unit members who have information necessary for the apprehension or investigation of another member who is fleeing to avoid prosecution or is violating a condition of their parole.

FS agencies must not require that a photo ID be required as a condition of eligibility for FS. You are only to provide a photograph in the above circumstances if the food unit member happened to use a photo ID to verify their identity.

19.01.01  
Deeming

If the ineligible person is still in the home, count his or her income, assets, and expenses as if s/he were still a FS group member. See 15.05.00.

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19.02.00  
Drug Felons

For FS purposes, a drug felon is a person (adult or a minor) who is convicted of a felony in a state or federal court involving the possession, use or distribution of a controlled substance after August 22, 1996 and within the last 5 years. Convicted drug felons must have a negative drug test result (pass) to become eligible for FS. Drug felons that have a positive drug test result (fail) will be sanctioned.

The cost of drug testing must be paid for by the local agency. If the drug felon passes the drug test do not test again at each review. Drug tests required by another credible source may be used if taken within the last 30 days. If a previous drug test result is offered but is older than 30 days, require a new drug test. Examples of credible sources include, but are not limited to, probation officers, employers, FEPs, etc.

A food stamp applicant or recipient must state in writing whether s/he or any member of his/her household has been convicted in any state or federal court of a felony for possession, use, or distribution of a controlled substance. The customer's signature on the CAF is sufficient to satisfy this requirement.

**Applications:**

Applicants who meet the definition of a drug felon and agree to take a drug test will be tentatively approved until a drug test is taken. If the individual passes this test, s/he remains eligible. If the applicant refuses to take a drug test, s/he will be denied indefinitely until s/he agrees to take a drug test.

If the drug test result is positive, the individual is ineligible for 12 months from the next possible payment month. If the drug test result is negative, the individual remains eligible. Do not retest the individual at review.

Applicants who miss a scheduled drug test should be sanctioned immediately. If the applicant then agrees to take a test within the application period, schedule another one. If s/he takes and passes this test, remove the sanction and supplement any benefits missed. If the applicant misses a drug test and requests another test after the initial application period, set up the test. If s/he passes this test, approve benefits for the next possible payment month.

For one person AGs, a missed drug test appointment would result in the AG closing. A new application would be required if the individual wanted a new opportunity to take a drug test.

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**Example 1:** Jane is applying for FS for herself and her two kids on June 19. She admits she is a convicted drug felon and agrees to take a drug test. The worker schedules the drug test for June 25th. No other verification is needed by June 21, so the worker processes the application and Jane is found eligible for June, July, and August FS benefits. Results from the drug test are received by the worker on July 2nd. Jane failed the drug test. Her worker keys the sanction on CARES screen ANDF on July 3rd. Jane will be sanctioned effective August 1 for 12 months. Her two children remain eligible for FS.

**Ongoing cases:**

If a felony drug conviction is reported for an eligible FS member at review or any other time, immediately schedule the individual for a drug test. Refusal to take a drug test will result in the felon being removed from the FS assistance group indefinitely until the individual agrees to take the test. If a felon tests positive on a drug test, deny FS for the individual for 12 months starting in the next possible benefit month.

**Example 2:** Bob is receiving FS with his girlfriend and her daughter. He was convicted of a drug felony on June 29 and reported this at his July review on July 12th. He was placed on probation as a result of his conviction. He refuses to take a drug test. The worker enters the sanction in CARES on screen ANDF immediately. Bob will be sanctioned until he agrees to take a drug test. If he had agreed to take the test and failed, he would be sanctioned in the next possible benefit month for 12 months.

19.02.01  
Regaining Eligibility

To regain eligibility after 12 months the drug felon must reapply and submit to another drug test. If the individual does not submit to a test, continue to deny the individual until a test is agreed to. If the person agrees to take a test, continue to deny the individual until the results are received.

If the second drug test is negative, the person may be eligible for the FS Program as of the first of the month following the month in which the individual agreed to take the test. If the second test results are positive, the person is ineligible for the FS program for an additional 12 months. As with other sanctions that end, the individual must re-request FS. The individual will not automatically be eligible when the sanction period ends.

19.02.02  
Deeming

If the ineligible drug felon is still in the home, deem that person's income, assets, and expenses to the FS group. See 15.06.00. for information on deeming.

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20.01.00  
DHFS Food Stamp Forms and  
Publications

All Food Stamp Forms are listed in alphabetical order at  
<http://www.dhfs.state.wi.us/em/fsformslist.htm>

To find all DHFS Income Maintenance (Food Stamp, Medicaid, or  
CTS) forms or publications by the form number, go to  
[http://www.dhfs.state.wi.us/em/numerical\\_list.htm](http://www.dhfs.state.wi.us/em/numerical_list.htm)

20.02.00  
Work Registration - DWD

Note: You must have a DWD Workweb ID to access this link

[http://workweb.dwd.state.wi.us/forms/dws/dsw\\_2017.htm](http://workweb.dwd.state.wi.us/forms/dws/dsw_2017.htm)

20.03.00  
Self-employment Income Report  
(SEIRF) - DWD

Note: You must have a DWD Workweb ID to access this link.

[http://workweb.dwd.state.wi.us/forms/dws/des\\_2131.htm](http://workweb.dwd.state.wi.us/forms/dws/des_2131.htm)

20.04.00  
FS Good Cause Notice - DWD

Note: You must have a DWD Workweb ID to access this link.

[http://workweb.dwd.state.wi.us/forms/dws/DWSW\\_2018.htm](http://workweb.dwd.state.wi.us/forms/dws/DWSW_2018.htm)

20.05.00  
FS Good Cause Claim - DWD

Note: You must have a DWD Workweb ID to access this link.

[http://workweb.dwd.state.wi.us/forms/dws/DWSW\\_2019.htm](http://workweb.dwd.state.wi.us/forms/dws/DWSW_2019.htm)

20.06.00  
Authorization of Participant's  
Representative - DWD

Note: You must have a DWD Workweb ID to access this link.

<http://workweb.dwd.state.wi.us/forms/dws/pdf/DES-2375.pdf> (English)  
<http://workweb.dwd.state.wi.us/forms/dws/240e/2375-S.pdf> (Spanish)

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21.01.00  
Application Processing

The food stamp application process includes:

1. Submitting a completed name, address, and signature on an initial application form to set a filing date through CARES client registration or using the Food Stamp Application Form ([HFS 16019A](#) or [HFS 16019B](#)),
2. Completing a face to face interview using CARES or a paper FS application form,
3. Verifying certain information, and
4. Confirming the FS eligibility determination in CARES.

The application process must be completed within 30 days of the initial filing date. Applicants are required to cooperate with the completion of this process. Local agencies are required to assist the applicant in the completion of the application process if the applicant requests such assistance.

The Food Stamp Application [HFS 16019A](#) must be readily accessible to potentially eligible FS recipients who choose not to set a filing date the same day they are in the FS office.

Assistance should be provided to schedule the interview, provide an interpreter, provide access due to a disability, etc. if needed. Local agencies must encourage individuals to file an application for FS on the same day they express an interest in the Food Stamp Program or show concerns about food insecurity. Local agencies that discourage or attempt to divert households from applying for W2 cash assistance must clarify that the disadvantages and requirements for applying for W2 cash assistance do not apply to food stamps. In this situation, the local agency shall also encourage the household to continue with the FS application.

When a person completes an application for Food Stamps, the application date must be documented by recording the date of receipt at the food stamp office. Begin determining if s/he and any other members of the household are eligible in the [Initial Unit](#).

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21.01.00.01  
Food Stamp Application

The application for food stamps has been developed for use when the CARES system is unavailable. It can also be given to clients who request a paper application form and for SSA staff when they accept applications for households where all household members are applying for or receiving SSI. The form is found on the Eligibility Management web site at <http://www.dhfs.state.wi.us/em/fsformslist.htm>

For ease of distribution and use, the form has been printed in the following manner:

Food Stamp Application Form - HFS 16019A includes the Registration Form and Important Information (Replaces DES-11605).

Food Stamp Application Form - HFS 16019B includes the Registration Form, Important Information (Part 1) and the Application form (Part 2). This replaces DES-2035 for FS applications.

Registration Form - This will be completed by the customer and used to set the initial application filing date for food stamps. This portion of the form is designed to be separated from the other sections so that it can be mailed, faxed or handed in to the ESA to set the FS application filing date. This form also collects information to determine eligibility for priority services.

Note: This new registration form replaces DES-11605, also referred to as DOC 1 or Page 1 and is used to set the filing date for a Food Stamp Application. The ESA will process the new Registration Form in the same manner as the DES-11605.

Additional Information Form - This section describes the applicant/recipient's rights and responsibilities. This portion of the form is designed to be separated from the Registration Form and/or the Application Form so that the customer can read and keep this information for his/her records. When using the CARES generated application, continue to provide the Rights and Responsibilities addendum (DES-2378) in paper form to FS applicants as a supplement to the CAF.

Application Form - This section gathers the information necessary to determine food stamp benefit eligibility. This portion is designed to be separated from the other sections so that it can be submitted to the ESA agency. Face-to-face application and recertification interviews are required for FS, except in certain circumstances outlined in 21.02.00, however this paper application form will serve as a back-up for the CARES interactive interview. Local Economic Support (ES) agencies may also receive completed HFS-16019B applications from Social Security Agencies (SSA) when a face to face application interview has been completed with SSI recipients at the SSA office. See 21.01.00.02.

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21.01.00.02  
SSA Participation in FS  
Applications

Since January 1, 1992, SSI recipients may be eligible for FS. If an SSI applicant or recipient lives alone or in a household where all FS group members receive or are applying for SSI, s/he has the right to apply for FS at the ES agency or SSA office handling his/her SSI case.

When the SSI applicant or recipient is eligible for this option, he/she is not required to go to an ES agency to apply for FS. The SSA must assist the applicant in completing this new form and submit the application to the ES agency for the applicant as outlined in the agreement between SSA and DHFS. SSA will refer SSI recipients who call or write about FS benefits to the ES agency. Anyone who applies for FS at the SSA office is told of their option to apply at the ES agency and that doing so may expedite receipt of food stamp benefits.

**SSA worker responsibility:**

1. Decide if the SSI applicant/recipient is eligible to apply for FS at the SSA office.
2. Interview the FS applicant and accept the FS Application.
3. Screen the FS applicant for priority service and help the FS applicant complete the application.
4. Mail the completed application to the ES agency within 1 federal workday.

Reminder: SSI applicants who want FS priority service must complete the Application Registration for Food Stamps form to be submitted by the SSA to the ES agency.

The FS interview conducted by SSA replaces the regular application interview by the ESA. An additional interview by the ES agency is not required. The ES agency will process these FS applications and contact the SSI applicant by other means if more information is needed to process the application.

**SSI Applicants in Public Institutions**

Residents of public institutions may apply for SSI prior to their release under the SSA Prerelease Program. SSA staff will accept a FS application from the person at the same time they apply for SSI under this program.

When SSA forwards a FS application to the ESA for a resident of a public institution, the time period for processing the application begins the date the resident is released from the institution. Process the application within 30 days after the applicant's release.

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21.01.01  
Faxed Applications

Local FS agencies should accept faxed applications to initiate the application process and set the filing date. No benefits should be issued, or any final determination of a household's eligibility be made until a paper application with an original signature is received by the food stamp office. Faxed applications received on weekends, holidays or after hours should be considered received on the first working day following receipt of the application.

21.01.02  
Applications at the Wrong  
Agency

If a person calls or comes into the wrong agency (county or tribal office) to apply for FS, the agency's minimum duty is to:

1. Inform the person they are in the wrong office,
2. Give the person the address and telephone number of the appropriate county or tribal office, and
3. Explain the fact that their filing date and the application process cannot begin until they file an application with the appropriate FS office.

If the household has completed the application, the agency must also offer to forward the application to the appropriate office that same day. See 09.01.00.

If a person comes into the wrong office, but is in the right county to apply for FS, s/he must be allowed to apply and set the filing date. The agency will complete Client Registration in CARES, schedule an eligibility interview in the correct office, transfer the case, and give the client notice of the appointment and location.

21.01.03  
Scheduling the Interview

Local agencies must make every attempt to schedule interviews to ensure that an initial FS eligibility determination can be completed within the 30 day processing timeframe. For information on expedited services, see 21.01.05 and 21.01.06.

Interviews may be held at the local office or at a mutually acceptable location, including the household's residence. If an interview is scheduled at a household's residence, it must be scheduled in advance. Refer to Food Stamp Handbook Appendix 21.02.00 for circumstances that allow for a non face-to-face interview.

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Local agencies must notify each household that misses its initial interview appointment that it missed the scheduled interview and that the household is responsible for rescheduling a missed interview. The use of Client Scheduling in CARES will ensure that households receive this notice. If Client Scheduling is not used, notices of missed interview appointments and client responsibility to reschedule must be issued by the local agency. Keep a copy of the agency notice in the case file. Agencies may not deny a household's application prior to the 30th day after the application filing date if the household fails to appear for the first interview.

For households that miss a scheduled appointment and contact the agency to re-schedule within the 30-day application processing period, the agency must schedule another interview.

21.01.04  
Completing the Application  
Interview

Although CARES provides a means for an individual to apply for several programs of assistance, FS eligibility must be based solely on the requirements and regulations governing the FS Program. Applications for FS may not be denied solely on the basis that an application to participate in another program has been denied. Similarly, ongoing FS benefits may not be terminated solely because benefits from another program have been terminated. During an interview, the interviewer must advise applicants for joint W2/FS that W2 requirements do not apply to FS and that households that lose or decline W2 benefits may still qualify for FS.

During an interview, the ESS must not simply review the information that appears on the application but must explore and resolve with the applicant all unclear information. The interviewer must also advise households of their rights and responsibilities during the interview.

The ESS must ask the applicant to identify all household members and their relationship to each other.

Providing SSNs for each household member is voluntary. However failure to provide an SSN will result in the denial of food stamp benefits to each individual failing to provide an SSN. Although SSN and alien status information is not required for household members not applying for benefits, the ESS must determine if the non-applicant household member has income or assets that affect the applying household members' eligibility. If so, that information must be provided and verified in order to determine FS eligibility for the applicant household members. See 05.01.00 SSN Requirements.

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Note: The paper FS application forms do not yet contain a statement for the applicant to initial that he/she understands that failure to report or verify expenses will result in the expenses not being used in the FS benefit eligibility determination. If a paper application is used, document in case comments that this information was explained to the applicant. Paper FS applications are being revised to include this statement.

It is not necessary for applicant signatures to be witnessed by an agency representative for a FS application to be considered complete.

21.01.05  
Expedited Service at Application  
  
7USC 2020(e)(9)

Expedited Services are designed to get the initial FS allotment to the FS group within **seven calendar days** from the date of the application. In order to do this, the applicant must be allowed to complete the Face to Face (FTF) interview quickly and CARES must issue benefits quickly. The two phases of expedited services are:

1. **Priority Service** - which refers to whether or not a person should be seen the same day or the next working day from the date of application.
2. **Expedited Issuance** - which refers to how quickly CARES will issue food stamp benefits once the case is confirmed and eligible for expedited issuance and identity has been verified. Benefits going out as an expedited issuance will be issued the same day or the next business day.

Local agencies must provide priority service and expedited benefits to those households that qualify for them.

21.01.06  
Eligibility for Expedited Services  
at Application

A person may be eligible for priority services and expedited issuance if:

1. The total monthly gross income and available assets are less than the monthly costs for utilities and rent or mortgage; or
2. Their gross monthly income is less than \$150 and they have \$100 or less in available liquid assets; or
3. Their household includes a migrant/seasonal farm worker, their liquid assets are less than \$100, the source of their income is from a terminated source and they don't expect to receive more than \$25 from a new source in the next ten days.

Homelessness is no longer a criteria for priority service/expedited issuance eligibility. There is no eligibility for expedited services at recertification if a household reapplies (completes the review) before the end of its current certification period.

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21.01.07  
Verification Requirements for  
Expedited Services

If a household is eligible for expedited benefit issuance (see 21.01.06) it must only provide verification of identity of the primary person before the expedited benefits can be issued. If any other required verification is readily available, it must be used in the initial eligibility determination. Other outstanding required verification items must be requested, however do not delay the issuance of expedited benefits pending the receipt of other requested verification. CARES will deny ongoing months with a failure code reason related to expedited verification requirements. See 22.01.00

If requested verification is not received, the AG will remain closed due to failure to provide requested expedited verifications (codes 152, 153, or 154). In these cases, it is not necessary for a worker to enter "NV" codes at the end of the 30 day application processing period in order to deny ongoing FS benefits.

There is no limit to the number of times a household can be certified under expedited procedures as long as the household:

1. submitted all the required verifications within the last 30 day application processing period following an expedited issuance, or
2. was certified under normal processing standards since the last expedited certification.

21.01.08  
Documentation of Expedited  
Services

CARES Screens CRES, ACPS

Cares screens CRES (client registration driverflow) and ACPS (intake/review driverflow), will screen for the expedited services eligibility criteria. If eligible, a "flash" message will appear on CRES and ACPS telling the worker whether or not to schedule for a priority service interview. Flash messages do not store in history.

21.01.09  
Combined Allotments for  
Expedited Issuance Applications

FS groups that have an application date after the 15th of a month and are found eligible for expedited issuance must receive a combined allotment for months 1 and 2.

21.01.10  
Changes Reported During the  
Application Processing Period

For applications, changes that occur between the filing date and the intake interview date must be acted on as part of the application. Changes that occur or are reported after the interview, whether or not the case has been processed, must be acted on in the same manner as any other reported change.

**Example 1:** Joan applies for FS on 07/03/01. She has her baby on 07/05/01 and reports the birth at her intake interview on 07/15/02. The baby is included in the FS eligibility determination for July and subsequent months.

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**Example 2:** Joan applies for FS on 06/21/01. She has her baby on 07/02/01 and reports the birth at her intake interview on 07/11/01. The baby is not included in Joan's FS eligibility determination for June (change did not occur in June), the baby is included in Joan's July FS eligibility determination (change reported at intake interview).

**Example 3:** Joan applies for FS on 07/03/01. She completes her intake interview on 07/10/01. Joan has her baby on 07/12/01 and reports the birth when she submits her verification documents on 07/21/01. Her baby is not included in the eligibility determination for July FS, but the baby is added to Joan's FS group effective 08/01/01.

21.01.11  
Confirming the FS Eligibility  
Determination in CARES

Before confirming FS eligibility on screen AGECE in CARES, ESS must ensure that the correct eligibility determination has been made. A check of individual eligibility details of the non-financial results on CARES screen EESI and also the budget details on CARES screen EFAD are essential. Some items to consider are:

- Are verifications complete?
- Is there a correct categorical eligibility determination?
- Are correct household members included in the food unit/food group?
- Are correct assets used in asset test?
- Is correct income used?
- Are correct expenses and deductions allowed?
- If the AG is denied, is the correct denial appropriate?
- Is there clear documentation in CARES case comments?

If so, confirm the FS eligibility and:

1. Process screen AIWP to refer any mandatory FSET participants to FSET,
2. Check ABAWD status. ABAWDS are subject to time limited benefits if they are not employed and/or participating in a work program without good cause for an average of at least 20 hours per week. Employed ABAWDs are required to report if their hours of employment are reduced to less than 20 hours per week, and
3. Check AGOR for the correct certification period.

21.01.12  
Application Denials

If information is reported during the 30-day application processing period that would cause a FS application to be denied, and the denial is confirmed in CARES, a new application is required.

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21.01.13  
New Application Required Due to  
Break in Service

A "break in service" occurs when the final day of the closure month has passed and FS have not reopened. Any break in service requires the person or group to reapply and complete the application process if they wish to receive benefits. This is considered to be a new application even if FS is closed for less than 30 days.

The only exceptions are if the break in service is caused by agency action. These include:

- a client requests an appointment before the end of his or her certification period but no recertification appointment is available before the case closes,
- the group contains a member who was a migrant and received FS in the previous thirty days, or
- the 10 days for clients to provide verification has not yet passed.

In such instances, the worker should document in CARES the reason for the late recertification and set the request date on ACPA for the first of the month so that there is no pro-ration of benefits.

**Example 1:** Sam requests an appointment to recertify his FS benefits on September 25th, his benefits end on September 30th. The first available appointment is October 3rd. Sam meets with the worker on October 3rd. Sam's worker sets the request date on ACPA for October 1st so the agency's delay does not cause a pro-rated FS amount. The worker documents in CARES case comments the reason for the late certification.

**Example 2:** A case closes 12/31 for failure to verify information. On 01/01/04, they turn in the verification. This is a break in service and the group must file a new application.

In situations where there has been a break in service and a new application is required, the filing date is set when the client does 1 of the following:

1. Completes client registration and submits a signed RFA (if closed more than 30 days), or
2. Submits the signed FS Application Registration form (HFS 16019A), or
3. Submits a completed CARES CAF or FS-Only Application (HFS 16019B).

**Example 3:** A FS case has been open since March. The 6-month review was due by August 30. The client did not show for the scheduled review appointment. It is now Sept 3 and s/he is calling to request a review appointment. In this scenario, the client would need to reapply for FS and benefits would be pro-rated from the date a signed application registration form is received either from client registration in CARES or HFS 16019A. This case would also require an evaluation for priority service.

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The FS Application Registration form is used when an applicant comes into the agency, requests FS, but cannot stay to complete Client Registration in CARES because of their schedule or because there is not sufficient time or personnel to complete Client Registration before the office closes to the public. Mail (if applicant calls) or hand the form to the applicant. The date this signed FS Application Registration form is received in the agency is the filing date.

This procedure was set up to ensure customers have the opportunity to set a filing date the first day they contact the agency. In some instances, the customer may request to take this form or a FS Application with them. These materials should be made available for the customer to take. However, it is important for the agency representative to explain that:

1. The filing date cannot be set until the agency receives a signed HFS 16019A (application registration) or CRES from client registration.
2. Although a priority service determination is not required until the signed application form is submitted or client registration completed, when screening a potential applicant over the phone, information regarding the need for priority service may be gathered in order to schedule an interview appointment during the phone conversation. The filing date cannot be set without a signature, however a request for assistance can be documented and the paper CRES or HFS 16019A can be mailed to the potential applicant along with an appointment notice.

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21.02.00  
Recertification (Reviews)  
  
(7CFR273.2(e)(2)(i) and  
(7CFR273.2(e)(2)(ii).

The certification period of the following food units is 6 months:  
1) food units that include a migrant of seasonal farm worker, or  
2) food units that are homeless,

**and**

where action is taken in CARES to indicate homelessness or a migrant household member prior to adverse action in month 4 of the certification period.

All other food units have certification periods of 12 months.

Non-Face to Face (NFTF) reviews are no longer allowed, except when an authorized representative cannot be appointed and one of the these circumstances is true:

1. Recipients can't come to the office because they are elderly or disabled and no other household members are able to come to the office or
2. No household member is available to come to the office due to hardships such as illness, severe weather, lack of transportation , hours of work, etc.

Document on CARES screen CMCC the reason a FTF review was waived. When a FTF review is waived, a telephone review must be completed. See 21.04.00.

A waiver of the FTF interview does not exempt the household from the verification requirements, although special procedures may be used to permit the household to provide verification and thus obtain its benefits in a timely manner, such as substituting a collateral contact in cases where documentary verification would normally be provided. See 22.01.00, 22.07.01, and 22.07.02.

A waiver of the FTF interview may not affect the length of the household's certification period.

The certification period begins with the month following the last month of the previous certification period.

21.02.01  
Changes in Food Unit Type  
During the Certification Period

Some changes reported and acted on during the first 4 months of the certification period can impact the length of the certification period and/or the interim reporting requirement. Food units that are initially certified for 12 months with an interim reporting requirement, who become homeless, or a migrant has joined the food unit, will have their certification periods shortened to 6 months (from the initial certification date) if the change is acted on prior to adverse action in month 4 of the certification period. These food units will no longer be required to complete a Six Month Interim Report Form (SMIRF), however they will be required to complete a review in the 6th and final month of their certification period to maintain FS eligibility.

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**NOTE:** Once a 6-month certification period has been established the review will remain due in month 6 even if the homeless food unit secures housing, or the migrant worker leaves the food unit prior to the review month.

A food unit that has been certified for 12 months and has a change that causes it to include all elderly, blind, or disabled food unit members with no earned income at any point in the certification period will not have an interim reporting requirement. The food units will also no longer be subject to the reduced reporting requirements, however they are subject to the regular change reporting requirements. Language will be added to the food units' notice of decision identifying the change reporting requirements for the food unit.

The matrix at the end of [25.13](#) identifies potential changes that may be reported and acted on during the certification period and the impact those changes will have on the length of the certification period and the interim reporting requirement. Remember that all reported changes must be acted on timely in order for the correct certification period and interim reporting requirement to be determined by CARES.

21.03.00  
Review Dates

Certification periods are scheduled every twelve months for most AGs. In some circumstances an extra month may be added to the certification period by CARES. For Quality Assurance purposes, it is important for the FS case to receive a correct certification period. If CARES adds any extra months to the certification period, change the next review date to ensure a correct certification period.

21.04.00  
Review Processing

There are several steps to completing a review (recertification) for FS cases:

1. Notification must be sent to the recipient informing him/her that the certification period is ending and an interview must be conducted if benefits are to continue.
2. An interview must be conducted and the recipient must be notified of verifications required to determine continued eligibility for the program.
3. Certain information gathered at the interview must be verified.
4. Benefit eligibility must be confirmed in CARES in order for the review or recertification to be considered complete.

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The 30-day processing timeframe for a review is not the same as it is for applications. The 30-day review processing timeframe refers to the review month. In other words, a review must be processed and confirmed by the last day of the review month unless there is an agency-caused delay such as allowing 10 days for verification. In those instances, the worker should document in CARES the reason for the late re-certification and set the request date on ACPA for the first of the month so that there is no pro-ration of benefits (see 21.01.13).

The FS case will close effective the last day of the review month at adverse action of the review month if the review is not completed, including confirmation. The ESS and the FS recipient have until the end of the review month to complete the review without a new application being required. If there is an agency delay or if verifications are pending, additional days can be added to that time frame without a new application being required.

**Example 1:** Tom's FS review is due by June 30. He completes the review interview with his ESS on June 27 and his verifications are due July 07. Tom provides the requested verification on July 05. Although Tom's case closed effective June 30 due to lack of completed review, his FS case is reopened with a new certification period beginning July 01. His benefits are not prorated and he is not required to submit a new application.

**NOTE:** Remember to check screen AGOR to ensure that the correct 6 or 12-month certification period has been set for FS.

**Example 2:** Lisa's review is due by June 30. She completes her review interview on June 27 and her verifications are due July 07. She does not provide the requested verification until July 09. Lisa's FS case remains closed effective June 30. She is required to submit a new application for FS. Although the CARES notice Lisa received when her worker entered "NV" in the requested verification fields informed Lisa that she must re-apply for FS, good customer service would be provided by a follow-up contact from the ESS encouraging Lisa to re-apply.

21.04.01  
Eligibility Reviews for Other  
Programs and Their Impact on the  
Food Stamp Certification Period

Reviews completed for other assistance programs do not automatically count as a review for FS and will not change the FS certification period. The new question, "Is this a review for Food Stamps?" has been added to ANRQ. Workers who are completing a face-to-face review for FS must answer this with <Y> for the process to count as a recertification for FS. Workers who are completing a face-to-face review for another program of assistance should answer this with "yes" only when the review should also affect the FS certification period. See 25.13

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21.05.00  
Telephone Reviews

See 21.02.00 for when telephone reviews may be conducted. At the start of the telephone interview make a verbal agreement with the client that s/he will complete the recertification interview over the phone. Make a note of the agreement in case comments (CARES screen ACCC) and include the reason that the FS group was eligible for a telephone interview.

Go over the changes with the client using the review screens in the CARES system. Access the wage database and act on any information that you find. If there are discrepancies in the information, resolve those differences during the interview and/or verification process. At the end of the interview, review all changes with the client.

21.05.01  
Telephone Interviews/Mail-in  
Recertifications Not Allowed

Do not allow the following FS groups to do a telephone recertification interview or a mail-in recertification:

1. An individual who has committed an Intentional Program Violation.
2. FS groups whose certification period has expired.

21.05.02  
Verification of Deductions

If the FS household claims deductible expenses during the telephone review, the household must verify the claimed deductions or the deduction will not be allowed.

After the interview, if verification is needed, print out a verification list and send it to the client with instructions to provide the listed documents to the FS worker within 10 days.

If the client fails to provide verification of deductions, do not allow the deduction and do not close the case.

21.05.03  
Post-Interview Process

At the end of the telephone interview, print the CAF. Instruct the client that you will be mailing the printed CAF to them for their signature. Provide a copy of the CAF to the client if they request it. The CAF should be signed and returned to the agency within 10 days. The review is not complete until the signed CAF is returned to the agency.

If the signed CAF is not returned within the ten day period, close the case for failure to sign the application (closure code 045).

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21.06.00  
Change Reporting

Change reporting policy depends on the type of assistance group.  
There are two:

1. **EBD AGs with no earnings**, or
2. **All other AGs**

**EBD AGs with no earnings**

Elderly, Blind, or Disabled (EBD) Assistance Groups are those where all AG members are elderly, blind, or disabled. If no one in this AG has earned income, these AGs are required to report the following changes within 10 days:

1. Number of people in the home:
  - When a person is born or dies
  - When someone moves in or out
2. Income:
  - Unearned: Changes of more than \$50 except child support, in which case it's more than \$100.
  - Earned: Changes in the source of income (a new job must be reported within 10 days from the start of the job, not from when the recipient received the job).
3. Address/Shelter Expense:
  - New address when a move takes place.
  - Change in RENT or MORTGAGE/TAXES/HOMEOWNER'S INSURANCE if a move occurs.
  - Change in UTILITY expense obligation, such as phone, lights, or heating, if a move occurs.
4. Resources:
  - For Non-Categorically Eligible FS AGs, when total countable assets for all household members exceeds \$3000.

**However, if any change is reported by any FS AG, it must be acted upon.** See 21.06.01

Changes must be reported to the FS agency within 10 days of the date the change is known to the household, except for reporting receipt of a new job. Then the change must be reported within 10 days from when the jobs starts.

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**All Other AGs:**

All other AGs are only required to report if their total monthly gross income exceeds 130% of the Federal Poverty Level (FPL) for their reported food unit size. This change must be reported by the 10th of the month following the month in which the total income exceeded 130% of the FPL.

As long as a food unit's total income is less than 130% of the FPL, an AG need not report changes in income, assets, address changes, household composition, etc. See 18.01.02 for the table showing 130% of the FPL.

However, if any change is reported by any source for FS AG, it must be acted upon. See 21.06.01 and [25.13](#).

If an AG has reported total income exceeding 130% FPL for their food unit size, and the AG remains open for FS due to categorical eligibility, the AG has fulfilled their change reporting requirement for the remainder of the FS certification period.

See 26.00.00 for change reporting requirements for Transitional Food Stamp (TFS) recipients.

21.06.01  
Timely Action on Reported  
Changes During the Cert. Period

Local agencies may not require households to report for an office interview during their certification period though they may request households to do so.

ESS must act promptly on all reported changes. Recipients are allowed 10 days to report changes required for program eligibility. Recipients must be allowed an additional 10 days to provide verification of the change. Per federal QC policy, this 10-day verification time frame is simultaneous to the time allowed for ESS to act on a reported change.

ESS action on changes is more dependent on:

1. the time of the month that a change is reported and
2. whether verifications are provided timely.

Action on changes also depends on if the change will cause a FS case to close, or if it will cause an increase or decrease in the benefit allotment.

An ESS should act on a sanction request immediately, but has 10 days to process the request. However, the ESS should try to enter the sanction before the next adverse action in CARES.

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**Example 1:** Lisa reports on June 29 that she started a job on June 19. Her worker must request verification and allow Lisa 10 days to provide it. If verification is requested on June 29, it will be due July 09. Her ESS will have time to process the verification and issue proper notice to Lisa by adverse action in July. If the worker fails to act on the change by not requesting verification until July 09, Lisa would have until July 19 to provide the verification, which is after adverse action. In this case it is likely that August benefits would be in error due to worker failure to act promptly on the reported change.

**Example 2:** Fred is an ESS and receives a sanction request for Jane Doe on the 12th of June. He officially has 10 days to process the sanction. Adverse action is on June 18 so he makes sure he acts on the sanction before the 18th. However, if he doesn't, the case wouldn't be in error unless he didn't act on the sanction until after the 21st.

FS applicants and recipients must be allowed a minimum of 10 days to provide verification of a reported change even if the change is not reported timely. If a reported change is considered to be "verified on receipt" a worker has up to 10 days to act on the change.

Some examples of changes considered to be "verified on receipt" are:

1. Data exchange information that does not require further contact with the client,
2. Changes reported by a recipient that do not require further verification, or
3. Adequate verification submitted with a change report.

**Example 3:** Jim is certified for FS from May through October. Jim reports on July 12 that he started a job on July 01. His ESS gathers information about the employment from Jim and enters a ? in CARES in the verification field to generate a request for verification due July 22. If verification is not received before July 23, the ESS enters NV in CARES to close Jim's FS case effective August 31 for failure to verify information. If Jim provides the requested verification by August 31 his FS case is reopened effective September 01 without a new application being required. The ESS must determine if an overpayment occurred in August due to Jim's failure to timely report the change.

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**Example 4:** Julie reports on July 12 that she started a job on May 17. Her ESS gathers information about the employment from Julie and enters a ? in CARES in the verification field to generate a request for verification due July 22. If verification is not received by the verification due date, the ESS enters NV to close Julie's FS case effective August 31 for failure to verify information.

If Julie provides the requested verification by August 31 her FS case is reopened effective September 01 without a new application being required. In any case, Julie's July and August income verification must be gathered in order to determine if there was a FS overpayment in July and/or August due to her failure to report the change timely.

Local agencies may not end a certification period earlier than its assigned termination date, unless the agency receives information that the household has become ineligible or the household does not cooperate in clarifying its circumstances. Loss of W2 or a change in employment is not sufficient in and of itself to meet the criteria necessary for shortening certification periods. Agencies may not use the CARES reason code "077" to close a FS case for *lack of review* to shorten a certification period. CARES screen AGOR must be used to ensure that the correct 6 or 12 month certification period has been established.

See also [25.13](#).

21.07.00  
County Transfers

When a FS case moves from one agency to another within Wisconsin, the agency is responsible for transferring the case from the old county of residence to the new county of residence. When an inter-county move is reported or discovered, the agency that is notified or discovered the move is responsible for collecting the necessary verification and transferring the case. Change reporting policy must be followed (21.06.00, 22.01.00).

Once a case has been transferred to a new agency, it should not be transferred back unless the transfer-out agency has to process an overpayment or close out a W-2 placement. If there are questions about the information entered on the case or problems with the way the case was transferred, the new worker should contact the old worker to get the required information. Do not transfer the case back to the transfer-out agency to have them complete outstanding items.

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21.07.01  
Move Reported to or Discovered  
by the Transfer-Out (old) Agency

If the move is reported to or discovered by staff in the transfer-out agency, that agency is responsible for gathering appropriate information, requesting any needed verification, and making the appropriate changes in CARES. Once any outstanding verification is returned, the worker should enter the verification codes, update case comments, complete any data exchange (DX) dispositions, and transfer the case to the new (transfer-in) agency. If verification is returned to the transfer-out worker, it must be mailed to the transfer-in agency to prevent over-verification.

If outstanding verification is not returned timely (22.01.00), the worker in the transfer-out agency should enter NV in the appropriate fields on CARES screens, run SFEX, confirm the case, and transfer the case to the new county.

21.07.02  
Move Reported to or Discovered  
by the Transfer-In (new) Agency

If the move is reported to or discovered by staff in the transfer-in agency, a worker from that agency should gather any information on changes and request verification. The transfer-in agency worker should contact the transfer out worker and let her/him know that the case is going to be transferred to the new agency.

The worker in the transfer-out agency should then update case comments and complete any outstanding DX dispositions before the new agency transfers in the case.

**Workers in both agencies should communicate with each other and work together to ensure the transfer is completed in the most efficient manner with the least amount of trouble for the client.**

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22.01.00  
Verification Introduction

CARES screen AGVC

Verification is the use of documentary evidence or a collateral contact with a third party to confirm the accuracy of statements or information. The local agency must give applicants at least 10 days to provide required verification.

Requests for verification **MUST** be made in writing. Verbal requests are not acceptable and will not stand up in a fair hearing. Workers are required to give the customer notice regarding required verification, when it is due to the agency, and the consequences of not verifying timely.

Enter a "?" in the appropriate CARES field for items that have not been received and run SFED. On screen AGVC you can choose to print the notice locally or from a state mailing. Another alternative is to manually write a notice using the [DWSW 2303](#). (DWD intranet password required) If a manual notice is issued, keep a copy in the case file.

See the [CARES Guide](#) Ch. 14

**Note:** During the application, review-processing period, or a change (21.06.00) , do not deny the FS group for failure to provide the required verification until the:

1. 11th day after requesting the verification, or
2. 31st day of the application or review processing period, whichever is later.

The household has primary responsibility for providing documentary evidence to support statements on the application and to resolve any questionable information. However, you must assist the household in obtaining this verification if the household is otherwise cooperating and is unable to obtain the verification and requests the agency's assistance in obtaining the verification.

The general Income Maintenance verification rules are as follows:

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1. Only verify those items required to determine eligibility and benefits for the programs for which you are testing eligibility.
2. Do not verify an item that is not required to be verified and is not documented as questionable.
3. Avoid over-verification (requiring excessive pieces of evidence for any one item). If you have all the verification you need, don't continue to require added verification.
4. Do not verify information already verified unless you believe the information is fraudulent or differs from more recent information. If you suspect fraud exists, determine if you should make a referral for fraud or for front-end verification.
5. Do not exclusively require one particular type of verification when various types are adequate and available.
6. Verification may be submitted by mail, fax, or through another electronic device, or through an authorized representative.
7. Verification need not be presented in person.

22.02.00  
Nonfinancial Verification

With the exception of expedited issuance cases, the following information must be verified prior to certification for initial benefits, at review if a change is reported, and when a change is reported:

22.02.01  
Residence Verification

Applicants must verify their residence at the time of application and recipients must verify their residence when they move. Don't require any specific type of verification.

An exception exists for homeless persons and migrants. Don't require residence verification for homeless persons (09.02.00) or migrant assistance groups (12.03.08) newly arrived in the area. Do not verify shelter and/or utilities as part of residence verification. That is a separate verification requirement.

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22.02.02  
Identity Verification

Verify the identity of the applicant . If the applicant uses an authorized representative verify the identities of both the authorized representative and the applicant. Identity is the only verification required to process expedited benefits.

Identity may be verified through readily available documentary evidence, or if this is unavailable, through a collateral contact. Any documents, which reasonably establish the applicant's identity, must be accepted, and no requirement for a specific type of document, such as a birth certificate, may be imposed. See 25.14 for a list of suggestions.

See 21.01.05. Identity may be verified with a photo ID, however other sources are acceptable. See also the [INS Travel and Identity Documents](#) pamphlet for non-citizen documentation. See also chart 2 of the Alien Eligibility section of Appendix 25.

22.02.03  
Social Security Numbers  
Verification

Social Security Numbers must be provided for all household members applying for FS. Only verify questionable SSNs. See 05.01.00. Applicants who have applied for an SSN must verify that they have done so. Don't deny benefits pending issuance of an SSN if you have documented an SSN application was made. Failure to provide an SSN or proof of application for an SSN will result in denial of FS benefits for that individual.

**Newborns:** The household must provide the SSN or proof of application for an SSN. A completed SSA Form 2853 is considered proof of application for a newborn.

**Data Matches:** Workers will continue to receive an alert when a SSN entered in CARES does not match the SSN verified by the Social Security System (WTPY). In such cases verify if possible with a third party source and contact the Social Security Administration.

**Failure to comply:** If the agency determines that a food unit member has refused or failed to provide or apply for an SSN, then that individual is ineligible to participate in the Food Stamp Program. The disqualification applies to the individual for whom the SSN is not provided and not to the entire food unit. A pro-rated amount of the income and all countable assets of an individual disqualified from the FS Program for failure to comply with this requirement shall be deemed to the remaining food unit members. See 15.03.00.

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22.02.04  
Alien Eligibility and Citizenship  
Verification

Verify the immigration status of applicant non-citizens. If a non-citizen does not want the agency to contact INS to verify his or her immigration status, the agency must give the applicant the option of withdrawing the application or participating without that member. An undocumented alien is ineligible until acceptable documentation is provided unless the local agency has submitted a request for verification and is awaiting a response from INS, SSA (verification of work quarters), or another federal agency.

Verify citizenship only when the person or group's statements about his/her citizenship are questionable. A claim of citizenship is questionable when:

1. The claim is inconsistent with statements made by the applicant.
2. The claim is inconsistent with information on the application or previous applications.
3. The claim is inconsistent with information received from another source.
4. The person doesn't have an SSN.

Don't discriminate on the basis of religion, race, ethnic background or national origin when deciding if a claim is questionable. Don't target groups such as migrant farm workers or American Indians for verification. A surname, accent or appearance that seems foreign isn't enough reason to question citizenship.

In addition, if an alien is applying for benefits on behalf of another person you may, under federal law, only verify the status of the person who will actually be receiving the benefits.

See 25.09 of the [Appendix 25 Processing Guidelines](#) for charts that will help you determine alien eligibility for FS. For detailed INS Policy see the [SAVE manual M300 \(revised 09-00\)](#).

The ESS must verify the immigration status of applicant non-citizens. If a non-citizen does not want the ESS to contact INS to verify his or her immigration status, the ESS must give the applicant the option of withdrawing the application or participating without that member. See 05.03.00.

An undocumented alien is ineligible until acceptable documentation is provided unless the local agency has submitted a request for verification and is awaiting a response from INS, SSA (verification of work quarters), or another federal agency. See 04.01.02 and 04.02.00.

22.02.05  
Disability Verification  
  
CARES screen ANDI

Any household members applying for FS who are claiming to be disabled as defined in Appendix 01.06.01 must provide verification of their disability status.

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22.02.06  
Request for Contact

The agency may receive unclear information about changes in a food unit's circumstances from which the agency cannot readily determine the effect of the change on the food unit's case. The agency may receive such unclear information from a third party or from the food unit itself. If there is not enough information reported to fill out the appropriate CARES screen, the worker should use the "Loss of Contact" field to request contact from the recipient and to close the food stamp case if contact is not made timely.

The notice advises the food unit that there has been unclear information reported and the need to contact the agency within 10 days. If there are other items that need to be verified, the notice will list those specific items. The notice will also state the consequences if they fail to respond. The food unit has 10 days to respond either by telephone or by other correspondence to clarify its circumstances. The burden of clarifying an issue is placed on the food unit. If the food unit does not respond to the request for contact, the agency must issue a notice of closure for loss of contact and close the food stamp case. If the food unit does respond but refuses to provide sufficient information to clarify its circumstances, the agency must also issue an appropriate notice to close the food stamp case.

22.03.00  
Financial Verification

With the exception of expedited issuance cases, the following information must be verified for all food unit members at application, review, and reported change. See appendix 21.04.06 for expedited issuance verification requirements.

22.03.01  
Gross Non-exempt Income  
Verification

Gross non-exempt income must be verified for all food unit members prior to certification. Verify income for all households through documentary evidence or collateral contact.

Documentary evidence is written confirmation of a household's circumstances; examples include wage statements or check stubs, rent receipts, utility bills, and employment verification forms. Although documentary evidence should be the primary source of verification, acceptable verification cannot be limited to only this type of source and may be obtained through the household or other sources. "Other sources" include collateral contacts which are oral confirmations of a household's circumstances by a person outside of the household. Collateral contacts may be made in person or by telephone.

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22.03.01.01  
Earned Income Verification

If all attempts to verify the income have been unsuccessful because the person or organization providing the income has failed to cooperate with the household and agency (for example, by charging a fee or refusing to complete a verification form), and all other sources of verification are unavailable, determine an amount to be used for certification purposes based on the best available information. Clearly document the attempts to obtain verification and the reasoning for the estimate that is used. Best available information may include but is not limited to:

1. One or more check stubs from past pay periods (i.e. more than 30 days ago).
2. Customer statement (oral or written).

As in all cases, instruct the client to keep all statements and check stubs for future verification purposes.

**Example 1:** If Joan Worker receives an employment verification form completed by the employer which contains all necessary information to make a reasonable estimate of prospective income and the information is not questionable, s/he must not also require the client to submit check stubs. The opposite also holds true. If the customer submits several check stubs which contain enough information to make a reasonable estimate of prospective income and the information is not questionable, the ESS must not also require the customer to submit a form completed by the employer.

**Example 2:** Josephine applies for FS on 9/1. She is asked to verify her income. Before she has a chance to submit the verification, a fire destroys most of her belongings. She has one old check stub from 8/1 in her purse. All attempts to contact the employer to verify her income have failed. It is now 9/30. Josephine states her hours and pay have not changed since that check stub in August. She states she works an average of 38 hours per week at \$8.00 per hour and that she is paid every week on Tuesday. In this set of circumstances the ESS would budget  $38 \times \$8.00 \times 4.3 = \$1,307.20$  income per month and document the circumstances in CARES. The ESS would not be required to verify further until the next review or customer reports a change.

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22.03.01.02  
Self Employment Income  
Verification

Self employment income is income earned directly from one's own business - not as an employee with specified salary or wages. Self employment income is budgeted based on information submitted on Self Employment Income Reporting Forms (SEIRFs) and/or IRS tax forms. CARES will budget self employment income correctly for all programs as long as the gross income, gross expenses, and disallowed expenses are entered accurately on screen AFSE.

IRS tax forms are used if :

1. The business was in operation for at least 1 full month during the previous year, and
2. The business has been in operation 6 months or more at the time of application or review, and
3. The person doesn't claim a change in circumstances from the previous year.

In this set of circumstances, ask for the previous year's tax returns to determine the best estimate of future income (see also the Assets, Deductions, and Depreciation sections below).

If all 3 of the above criteria are not met, determine and budget anticipated earnings using SEIRFs. The customer must complete SEIRFs for the months the business was in operation.

1. If the business has been in operation for 6 months or more, calculate the monthly average using SEIRFs for each of the past 6 months.
2. If the business has been in operation for less than 1 month, the customer must estimate his/her income and expenses for 2 months using SEIRFs. Base the initial calculation on an average of those 2 anticipated months' income. The customer will then submit a new SEIRF each month for a 6-month period. Each month a SEIRF is submitted, recalculate the average.
3. If the business has been in operation for more than 1 month, but less than 6, determine the initial anticipated income using SEIRFs for the months the business has been in operation to calculate the average. The customer will then submit a new SEIRF each month until a 6-month period has been reported. Each month a SEIRF is submitted, recalculate the average.

If the household has experienced a substantial increase or decrease in business, the agency should not calculate the anticipated self employment income based on prior income. In this instance, the applicant or recipient must begin the averaging process again (see #2 in the first numbered list above and 13.05.02.01).

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**Example 1:** Joyce Provider began a daycare center in September. Her business got off to a slow start because initially she was certified to care for only 2 children. After her business was open for 5 months, she found a larger space and was able to care for many more children. In this instance, when the circumstances change and her income was increased and that increase is anticipated to continue, a new average needs to be started.

Keep track of whether or not SEIRFs are received. A best practice may be to use the Expected Changes screen (ACEC) to generate CARES alerts to request and process SEIRFs.

#### DIVIDENDS & ROYALTIES

Dividends or royalty income are considered unearned income and should be entered on screen AFUI. See 12.02.00 for information on unearned income.

#### RENTAL INCOME

Rental income is self employment income. It is earned if the owner actively manages the property for 20 hours or more per week. Otherwise, consider it unearned income. Both are entered on AFSE. A "Y" in the self-managed field on AFSE will tell CARES to budget this income as earned. A "N" in this field will cause CARES to budget the income as unearned.

#### ASSETS

Assets directly related and essential to producing goods or services can be excluded if the non-farm business passes the profitability test (see 13.03.01 for details).

#### DEDUCTIONS

Shelter and utility expenses used as a business deduction for tax purposes cannot also be used as deductions for FS purposes. If a portion of the shelter and utility expenses are used as a deduction for tax purposes, the remainder can be used as an FS shelter and utility deduction. Fully document the portion of shelter cost used as a business expense deduction vs. a household shelter deduction.

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#### DEPRECIATION

Remember when completing the self employment income worksheets to adjust the income figure on the IRS tax forms, net income and depreciation are identified. Since depreciation is not an allowable expense for FS purposes, the depreciation expense is added back in (see 13.05.01.03).

#### FLUCTUATING SELF EMPLOYMENT INCOME

If the self employment income is such that a 6-month period alone cannot provide an accurate indication of anticipated income, the agency and the household may choose a longer period of past income if the longer time period will provide a more accurate indication of anticipated fluctuations in future income. To average fluctuating self employment income, you may continue to average the SEIRFs over a longer period of time to more accurately reflect fluctuating income. Document in CARES the reasoning for the income estimate.

**Example 2:** Jean Builder started a construction business in August. She reported this to her ESS and was asked to begin submitting SEIRFs on a monthly basis. She submitted SEIRFs for August (\$0), September (\$0), October (\$0), November (\$0), December (\$1,500) and January (\$0). The December income was a partial payment for the project, the final payment is due in March when the project is completed. The ESS in this case would continue to average the monthly income until at least the end of March in order to capture all the income.

**Example 3:** Junior Construct started his own construction business in November. He reported this to his ESS and was asked to complete six months of SEIRFs. He submitted SEIRFs for November (\$0 income after deductions), December (\$0 income after deductions), January (\$100 income after deductions), February (\$150 income after deductions and March (\$500 income after deductions). Due to the nature of this type of self employment income (busier in warmer weather), continuing to average SEIRFs for up to a year would be the appropriate thing to do.

#### UNCERTAIN SELF EMPLOYMENT INCOME

Self employment income, by its very nature is somewhat uncertain. Use of SEIRFs and/or IRS forms to determine monthly average income takes this into consideration.

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22.03.02  
Assets Verification

Counted assets require verification for food stamp eligibility only when information received regarding the asset is questionable. For example, if the total reported assets are close to the asset limit, the reported amount(s) are questionable and verification may be requested. The reason that the information is questionable must be documented in the Case Comments in the CARES record.

Questionable Items are those where:

1. Reported assets are within \$100 of the household's asset limit.
2. There are inconsistencies in the group's oral and written statements.
3. There are inconsistencies between the group's claims and other contacts, documents or prior records.
4. The applicant or his/her authorized representative is unsure of the accuracy of his/her own statements.
5. The applicant has been sanctioned due to a Food Stamp Intentional Program Violation (IPV).

See 11.01.00 Asset Guidelines.

22.03.03  
Dependent Care Expenses  
Verification

Verify reported dependent care expenses required for food unit members to keep or obtain employment, get training or education preparatory for employment, or comply with employment and training requirements. Convert verified expenses to monthly amounts.

Verify expenses at application, at review, when changes are reported. See 16.06.00 Dependent Care.

22.03.04  
Shelter and Utility Expenses  
Verification

Verify continuing monthly expenses for food unit members to maintain occupancy of the current residence. Some examples of these expenses are rent, mortgage, condo and association fees, property taxes, assessments, and homeowner's insurance. Verify utility expenses to determine if the food unit qualifies for a utility standard. See 16.08.00 and 18.03.00.

Changes in shelter or utility expenses between applications, reviews, or moves that are not required to be reported would not cause an overpayment if not reported. Homeless households can claim shelter and utility deductions for temporary living situations. (16.07.02)

Shelter and Utility expenses need to be verified:

1. at application,
2. at review if changes are reported,
3. if the group reports a move, and
4. anytime there is a reported change.

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**Example 1:** Harry lives alone and receives FS. He completed a review 2 months ago in May. In July, Harry's rent decreased to \$58 from \$600 because he started receiving a Section 8 voucher. Harry doesn't report it to his worker because he was told he is not required to report a change in shelter costs between reviews or moves. At the next review, Harry's worker enters the new shelter cost in CARES. There is no overpayment because the change in rent was not required to be reported.

**Example 2:** Shawna and her 4 year old son live alone and applied for FS in January. She was approved for FS. The next month, Shawna's rent decreased from \$750 to \$42 because she started receiving Section 8. She reported the change in rent immediately because she thought she had to. Her worker acted on the change that was reported, and Shawna's FS decreased the next month because her shelter costs decreased.

22.03.05  
Medical Expenses Verification

Medical expenses claimed by an applicant for FS must be verified prior to initial certification in order for the expense to be allowed as a deduction. Do not allow a deduction if the expense is not verified. However, anytime a medical expense is reported and verified, the deduction should be allowed. The following items must be verified: date of service, billing date, amount owed, and date amount is due.

Medical expenses are budgeted prospectively, so do not require eligible elderly, disabled, or blind household members to verify recurrent medical expenses monthly. Rely on estimates of recurring medical expenses during the certification period. Include changes that can be anticipated based on available information. Consider the group member's medical condition, public or private medical insurance coverage, and the current verified medical expenses incurred by the FS group member.

When converting medical expenses to monthly amounts, use the same calculation methods used for budgeting prospective income. Budget expenses in the next possible benefit month.

**Example:** Norm is a disabled individual who receives Social Security Disability income of \$720 per month. He does not yet receive Medicare. Norm applies for FS and provides his worker with verification that he has a medical condition that requires him to receive regular medical treatment. He also verifies that his pharmacy bills him \$60 per month for medication and he does not currently have private health insurance coverage or MA. His worker enters \$60 as Norm's recurrent medical expense on CARES screen AFME. Norm is not required to submit his monthly bill from the pharmacy.

See 16.04.03 Medical Expenses.

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22.03.06  
Child Support Payments  
Verification

Food unit members must verify the legal obligation to pay child support to non-food unit members, the amount of the obligation, and the monthly amount of child support actually paid. If the payments are not verified, do not allow the deduction in the FS benefit determination.

Verify expenses at application, review, and when a change is reported. See 16.05.00 Child Support .

22.04.00  
Questionable Information

Local agencies may request verification of other factors if information provided at application, review, or reported change is questionable, unclear, or incomplete and would have an affect on FS eligibility or benefit level.

Some examples of circumstances that may require further verification are:

1. Household Composition.
2. Claim of Separate Food Unit
3. Incapacitation for an FSET exemption.
4. School Enrollment
5. Household expenses exceed income
6. Other

If an agency receives conflicting information, verification must be requested to clarify the circumstances. For example, if household expenses exceed income, obtain a written statement from the client on how they are paying expenses. Verify with the landlord how rent is being paid.

See the IMM Chapter I, Part C for more details.

22.05.00  
Discrepancies in Verification

When unverified information is received by the local agency from a source other than the food unit, the applicant must be given a reasonable opportunity to resolve the discrepancy prior to a determination of eligibility or benefits. If the unverified information is received through an IEVS data exchange regarding unreported sources of income or assets, the local agency may contact the source directly for verification.

When verification is received, or if the household fails to provide requested verification, the local agency must issue a notice notifying the applicant of the action that has been taken and providing the applicant with an opportunity to request a fair hearing prior to an adverse action.

Document clearly in case comments the reason for verification requests due to questionable information or discrepancies.

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22.06.00  
Responsibilities for Verification

The applicant has primary responsibility for providing required verification and for resolving any discrepancies or questionable information. The local agency must assist the applicant in obtaining this verification providing the applicant has not refused to cooperate with the application process.

22.07.00  
Verification Sources

Local agencies must use documentary evidence as the primary source of verification for all information except residence and household composition. These items may be verified either through readily available documentary evidence or through a collateral contact, without a requirement being imposed that documentary evidence must be the primary source of verification.

Although documentary evidence must be the primary source of verification, acceptable verification must not be limited to any single type of document and may be obtained from the applicant or other source. Whenever documentary evidence cannot be obtained or is insufficient to make a firm determination of eligibility or benefit level, the ESS may require collateral contacts or home visits. See the Suggested Verification Sources chart for more details in Appendix [25.14](#).

22.07.01  
Documentary Evidence

Documentary Evidence consists of written confirmation of a household's circumstances. Examples of documentary evidence include wage stubs, rent receipts, and utility bills.

Applicants may provide documentary evidence to verify information in person, through the mail, by facsimile (FAX) or other electronic device, or through an authorized representative. Applicants must not be required to present verification in person at the food stamp office. The local agency must accept any reasonable documentary evidence provided and must be primarily concerned with how adequately the verification proves the statements in the application.

22.07.02  
Collateral Contacts

Collateral Contacts consist of oral confirmations of circumstances by persons other than food unit members. A collateral contact may be made either in person or over the telephone.

The local agency, generally, must rely on the applicant to provide the name of any collateral contact. The applicant may request assistance in designating a collateral contact. The local agency is not required to use the collateral contact designated by the applicant if the collateral contact cannot be expected to provide accurate third-party verification.

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When the collateral contact designated by the applicant is unacceptable, the local agency must either designate another collateral contact, ask the applicant to designate another collateral contact or to provide an alternative form of verification, or substitute a home visit (22.03.03). The local agency is responsible for obtaining verification from designated collateral contacts.

When talking with collateral contacts, local agency staff should disclose only the information that is absolutely necessary to get the information being sought. ESS should avoid disclosing that the applicant has applied for FS, nor should they disclose any information supplied by the applicant or suggest that the applicant is suspected of any wrongdoing.

22.07.03  
Home Visits

Home Visits may be used as verification only when documentary evidence is insufficient to make a firm determination of eligibility or benefit level, or cannot be obtained. Home visits must be scheduled in advance with the applicant. Home visits are to be used on a case-by-case basis where documentation is insufficient. Simply because a household fits an error-prone profile does not constitute a lack of verification.

22.08.00  
Case Documentation

Case files and CARES screen CMCC must include documentation to support eligibility, ineligibility, and benefit level determinations. Documentation must be in sufficient detail to permit a reviewer to determine the reasonableness and accuracy of the determination.

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23.01.00  
Underissuance

This is a subsection header. Go to 23.01.01.

23.01.01  
Restore Benefits

Restore FS when you discover a FS group received fewer benefits than it was entitled to receive. Only restore benefits if the group didn't cause the underissuance. Don't restore benefits if the underissuance occurred more than 12 months before the month:

1. You discover the underissuance.
2. The group notifies you orally or in writing of a possible loss.

Restore benefits even if the FS group is currently ineligible. The FS group doesn't need to request the restoration. Restore the benefits as soon as you discover the error.

The county servicing the case handles the correction if the case is receiving FS. If the case is closed, the county who last serviced the case corrects the error.

23.01.01.01  
IPV

Restore benefits for an IPV only if the disqualification is reversed. Compare the allotment the FS group received with what it would have received if the disqualified member had participated. Restore the difference.

The request for a hearing (IMM II, G) is notification the FS group requests restored benefits.

23.01.02  
Computing

Calculate the allotment the FS group should have received. Restore the difference between the actual and the correct allotment. Issue the restored benefits in addition to the group's regular allotment.

As part of your application and review processing, determine if the FS group has any outstanding claims. Use the Case Determination Sheet (CDS), Recoupment Screen, and/or FS Benefit History.

If there is a claim (23.02.01) against the FS group, offset the amount to be restored against the claim. Do this before restoring anything to the FS group. Don't reduce an initial allotment to offset claims.

**Example.** Vera received \$200 in monthly FS. She should have received \$220. She owes the agency \$10 from an overpayment. Issue a supplement of \$10.

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If the FS group was eligible but received an incorrect allotment, calculate only for those months the FS group was participating.

If the FS group was found ineligible erroneously, the date the loss first occurred is:

1. Denial or delayed application - use the application month.
2. Erroneously terminated - use the month the loss first occurred.
3. Denial of reapplication - use the month following the expiration of the certification period.

Calculate for each month including the initial date until you correct the error, or you find the FS group ineligible.

Determine if the FS group was eligible in each month affected by the loss. If the case record doesn't show eligibility for those months, tell the FS group what information you need to determine eligibility. If they don't provide the information, the FS group is ineligible for those months.

23.01.03  
Notice

Tell the FS group of the restoration in writing. Include:

1. It's entitlement to lost benefits.
2. The amount to be restored.
3. Any offsetting and the method of restoration.
4. Right to appeal.

If you don't have the documents to support entitlement to lost benefits, the group may sign an affidavit explaining its entitlement. The affidavit is signed under penalty of perjury. You, a group member, or the group member's designee can draft the affidavit.

23.01.04  
Method of Restoring

Issue an allotment to correct the underissuance, regardless of current eligibility. If the FS group's composition has changed, restore the benefits to the FS group containing the most people who were FS group members when the loss occurred. If you can't find or determine the group with the majority, restore benefits to the primary person at the time of the loss.

Document your calculations and the reason for restoration in the case record.

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23.01.05  
Fair Hearing

The FS group may request a fair hearing (IMM II, G). The request must be within 90 days of the notification date of the restoration of lost benefits. While the fair hearing is pending, issue the FS group the lost benefits as determined by the agency. FS recipients appealing an agency decision by requesting a fair hearing must do so prior to the effective date of the change or termination in order to have their benefits continued at the previous level while the hearing is pending.

Issue FS based on the fair hearing decision, even if the stamps are undeliverable and returned to inventory. Don't require another fair hearing (when the fair hearing decision was made within the last 12 months) or any other administrative action before you restore lost benefits.

23.02.00  
Overissuance

Go to 23.02.01 Claims

23.02.01  
Claims

Set up a claim against any FS group that has received more FS than it is entitled to receive. There are three types of overpayment claims: **client error**, **nonclient error**, and **IPV**. Collect claims from all types, regardless of the date of origin. Only collect the amount of the claim. Use actual income and circumstances when doing overpayments.

As part of your application and review processing, determine if the FS group has any outstanding claims. Use the Case Determination Sheet (CDS), Recoupment Screen, and/or FS Benefit History.

23.02.01.01  
Liability

All adult food unit members are liable for repayment of any overissued food stamps. If an adult member moves to another household, the claim follows him/her to the new household. Also apply the claim to any remaining adult food unit members. Someone still in the household and not the food unit would not be responsible for an overpayment. You may have collection action involving more than 1 food unit at the same time.

23.02.01.02  
Offsetting

Offset when a FS group owes the agency and the agency also owes the FS group. Offset the claim against any amount that hasn't been restored to the FS group. You may use a suspended or terminated claim to offset benefits.

23.02.01.03  
Initial Allotment

Never reduce an initial allotment to offset a claim. This includes retroactive initial allotments. Person Adds are not initial allotments. Therefore, you can offset person add auxiliaries.

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23.02.01.04  
Moves

Pursue collection of overissued FS even if the group moves out of your county/tribal area or Wisconsin.

The agency that overissued benefits to the group has the first opportunity to collect an over-issuance. If it doesn't act promptly to collect, and the group moves, the new agency can begin collection action. The new agency must contact the agency that overissued benefits to see if they intend to pursue collection.

23.02.01.05  
Local Agency Retention

When the cause of overissuance is client error, you may keep 15% of any collection you make against that overissuance.

When the cause of overpayment is fraud, you may, in some circumstances, keep 15% of any collection. See IMM II, D, 5.1.0 & 6.0.0.

23.02.01.06  
Tribal Food Distribution

A FS group can not receive commodities from a Tribal Food Distribution program and FS at the same time. Make a claim against any group that receives FS in the same month it also participates in a Tribal Food Distribution Program. If the FS group is now receiving:

1. FS and then receives Food Distribution Program commodities in the same month, the Food Distribution agency must process the claim.
2. Food Distribution Program commodities and then receives FS in the same month, the FS agency must process the claim.

23.02.01.07  
Reporting

See the Accounting Reports Manual, Chapter IV.

23.02.01.08  
Alternate Living Arrangement

Treat an alternate living arrangement as a FS group when the alternate living arrangement acted as the authorized representative when the overissuance occurred.

23.02.02  
Notice of Overissuance

Always send a FS Repayment Agreement (20.15.0) and Notice of FS Overissuance (20.14.0) to the client for all types of claims.

When you first tell a group of a new overissuance, send with these two forms and a completed FS Overissuance Worksheet (20.16.0). When you send later notices about the same overissuance, you don't need to send another copy of the worksheet.

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Attempt a personal contact with the FS group in your initial collection efforts.

You may request the repayment be brought before the court or addressed in the agreement reached between the prosecutor and accused person.

All Repayment Agreements (20.15.0) are due on the 25th of the month. In all cases, if the FS group is receiving assistance, recoupment will take place. If the client signs and returns the repayment agreement, they are expected to repay monthly with the allotment reduction.

If it is an IPV, client or nonclient error case that isn't receiving FS, and the group doesn't sign and return the FS Repayment Agreement (20.15.0), dunning notices will be issued through CARES. You may pursue other collection action. The State of Wisconsin Central collection unit may also pursue collection action.

For current FS cases, the monthly repayment amount is in addition to the monthly recoupment.

If the group fails to make a scheduled payment or underpays, send a dunning notice which states that that they must contact you to renegotiate the payment schedule.

The group must either:

1. Negotiate a new schedule, or
2. Pay the overdue amount and continue to pay based on the previous schedule.

If the group's financial status hasn't changed enough to warrant renegotiating, you may reduce their allotment for a client error, nonclient error, or IPV. You don't have to send a negative notice.

#### 23.02.03 Client & Non-Client Error

A client error occurs when the overissuance was caused by an unintended error:

1. On the part of the FS group.
2. On the part of a categorically eligible FS group, provided you can calculate a claim amount based on a change in net income, group size, or both.
3. Due to continuation of benefits pending a fair hearing decision.

A nonclient error occurs when DWD or a local agency:

1. Acts incorrectly.
2. Fails to correct an action.
3. Erroneously found a categorically eligible group eligible, provided you can calculate a claim amount based on a change in net income, FS group size, or both.

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If overissuance occurred because of the following, don't establish a nonclient or client error claim. The agency did not ensure that a household:

1. Signed the application form.
2. Completed a current work registration form.
3. Applied in the correct project area.

23.02.03.01  
Calculate Client & Nonclient  
Claims

Make a claim for a **client error** that occurred when the FS group unintentionally:

1. Failed to provide you with correct or complete information.
2. Failed to report a change that was required to be reported.
3. Received FS for which it wasn't entitled pending a fair hearing decision.

When overissuance is because the group did not timely report a change, begin with the month you discover the overissuance and extend backward:

1. Six years, or
2. To the month the change would have been effective had the group timely reported it, whichever is most recent.

The month the change would have been effective can't be more than 2 months after the change in circumstance actually occurred.

**Example:** A group failed to report a change. The last day it should have timely reported the change was the 23rd day of the month, 13 months ago. The earliest the change could have been effective was the 1st of the month, 11 months ago. The latter date is the earliest date you may calculate a claim from.

Do not apply the 20% earned income deduction to earned income which is reported untimely. Actual income (earned and unearned) from all sources are budgeted for ALL overpayment calculations. If expenses were reported correctly at the time of the overissuance, use the same expenses when calculating the overissuance. If not, then don't use the expenses in the calculation.

When overissuance is because of some other error, the period begins with the month you discover the overissuance and extends backward:

1. Nonclient error: 12 months; or
2. Client error: 6 years.

Make a claim for a **nonclient error** that occurred when the agency:

1. Did not take prompt action on a change the FS group reported.
2. Incorrectly computed the group's income or a deduction.
3. Continued to give the group FS after its eligibility ended.
4. Did not reduce the group's FS to correspond with a W-2, SSI, or GR grant increase.

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**When determining if an overissuance occurred due to an unreported increase in total gross monthly income, compare the total actual unconverted income amount to the income reporting limit for the household size to determine if the income should have been reported. Enter the converted income amount to determine ongoing benefit eligibility. Use the actual income amount to determine the overissuance.**

23.02.03.02  
Collecting Client and Nonclient  
Error Claims Against Participating  
Households

Establish and collect overissuance claims against participating households unless:

1. You collect the claim through offset.
2. Claims are protected by the Federal Bankruptcy Code.

Do not charge any interest on the claim.

If the client wishes to pay the whole claim at once, s/he may do so.

A participating household is defined as a household or AG which is still open and receiving FS benefits.

23.02.03.03  
Collecting Claims for Client &  
Non Client Errors Against Non-  
Participating Households

Establish overissuance claims for non-participating households only if the amount of the claim is \$125.00 or more.

A non-participating household is defined as a household or AG which is closed and not receiving FS benefits.

23.02.04  
IPV

Make an Intentional Program Violation (IPV) claim only when one of these conditions exist. The food unit member:

1. Signs a waiver of the disqualification hearing.
2. Signs a disqualification consent agreement after being referred for prosecution. (20.22.00)
3. Is convicted of a FS felony or found guilty of IPV in an Administrative hearing or judicial proceeding. If you have a pending IPV hearing, handle the claim as a nonclient error.  
Discuss this with your legal counsel.

If legal counsel advises that processing a claim as a client error may create bias against an IPV judgment, do not process the claim until the IPV determination is made.

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23.02.04.01  
Calculate IPV Claims

Don't apply the 20% earned income deduction to the unreported earned income. Apply the deduction only to timely reported earned income. Use actual income and circumstances to determine the overpayment.

Offset the claim against any amount owed to the group. Start collection action for the remaining balance. Make a personal contact with the FS group if possible.

Start the IPV procedure for collection from its initial step whenever a client error is later determined to be an IPV. You must collect an IPV claim previously handled as a client error claim.

1. Recalculate the claim amount as an IPV type.
2. Send the FS group a new Notice of FS Overissuance showing IPV as the reason (20.14.0).
3. Send a new Notice of Repayment Agreement, 20.15.0

Do not charge any interest on the claim.

When overissuance is because the group member intentionally did not report a change, begin with the month you discover the overissuance and extend backward:

1. Six years, or
2. To the month the change would have been effective had the group timely reported it, whichever is most recent.

The month the change would have been effective can't be more than 2 months after the change in circumstance actually occurred.

When overissuance is because of some other IPV, begin with the month you discover the overissuance and extend backward 6 years. Go back from the discovery date, not the hearing date.

23.02.05  
Allotment Reduction

You may collect payments to recover any type of error from a FS group participating in the program by reducing their allotment .

The type of error determines the amount you can recover each month.

1. Client error/Nonclient error. CARES reduces the allotment by the greater of 10% of the group's monthly allotment, or \$10 each month. The \$10 minimum benefit level for 1 or 2 person groups applies before CARES reduces the allotment.
2. IPV. CARES reduces the allotment by the greater of 20% of the group' monthly entitlement or \$10 each month. The entitlement is benefits the group would have received if not for the disqualification of a FS group member.

The \$10 minimum benefit level for 1 or 2 person groups applies before CARES reduces the allotment.

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23.02.06  
Writing-Off Claims Against Non-Participating Households

Claims against non-participating households may be written off if reasonable collection efforts have been made and the debt is determined to be uncollectable. Recommendation to write-off can be made if proper documentation is submitted to demonstrate that the claim meets any of the following criteria:

1. It is found to be invalid in a fair hearing, administrative or judicial decision.
2. It is against a household in which all adult members are deceased and the State does not plan to pursue collection against the estate.
3. It has been discharged through bankruptcy or a bankruptcy stay is in effect.
4. It cannot be substantiated from case records.

5. The state agency has determined, after exhausting collection efforts, that it is not cost-effective to collect the claim. If the request to write off the claim is made on this basis the following criteria should be used:

a. The claim has an outstanding balance of \$24 or less and has been past due for 90 days or more.

b. The claim is from \$25 to \$499 and:

- (1) Three past due notices have been sent,
- (2) It was referred for tax offset, if the tax offset was successful the account should remain open for 3 years or until paid in full, and
- (3) It has been past due for 3 years.

c. The claim is from \$500 to \$4999 and:

- (1) Three past due notices have been sent,
- (2) It was referred for tax offset (if the tax offset was successful the account should remain open for 5 years or until paid in full),
- (3) It has been considered for referral to a collection agency or credit bureau, and
- (4) It has been past due for 5 years.

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d. The claim is over \$5000 and:

- (1) Three past due notices have been sent,
- (2) It was referred for tax offset (if the tax offset was successful the account should remain open for 10 years or until paid in full),
- (3) It has been considered for referral to a collection agency or credit bureau, and
- (4) It has been past due for 10 years.

Documentation of the following information is required:

1. The age of the claims,
2. Actions taken to collect,
3. Documents relevant to the specific claim, e.g., death certificates, bankruptcy discharge orders, administrative or judicial decisions.

Recommendations for the writing-off of claims must be submitted to the Public Assistance Collection Unit P.O. Box 8938, Madison, WI 53708-8938.

23.02.07  
Reserved

23.02.08  
Reserved

23.02.09  
Overpaid Claims

If a group has overpaid a claim, refund them the amount overpaid as soon as you discover it. Request reimbursement from DES. Follow the instructions in the Accounting Reports Manual, IV.

23.02.10  
Timely Negative Notice

FS issued solely because you can't meet the 10-day negative notice requirement are not an overissuance. Don't recover this type of issuance.

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23.02.11  
Tax Intercept

DES uses tax intercept from both state and federal tax refunds to recover overpayments from anyone who has become delinquent in repayment of the overissuance.

To use tax intercept, the person must have received three or more dunning notices and the debt must be:

1. Valid and legally enforceable.
2. State: All error types.  
Federal: All error types.
3. State: At least \$20.  
Federal: At least \$25.
4. State: At least 30 days from notification of overissuance.  
Federal: Not more than 10 years past due from notification date except in fraud cases. There is no delinquency period for fraud.
5. Free from any current appeals.
6. Incurred by someone who has not filed bankruptcy, nor has their spouse.

23.02.11.01  
Notice & Review

State intercept notices have a 30 day fair hearing right. The Division of Hearing and Appeals conducts the fair hearing. Federal intercept notices have a 60 day administrative review process. The Public Assistance Collection Unit conducts the administrative desk review. The client must provide evidence showing the claim is not past due, or is not legally enforceable. If the client can't provide that evidence, the case will be sent for intercept.

The case is not subject to the tax intercept while under review or appeal.

23.02.11.02  
Repayments

A client who makes a repayment agreement may not be subject to tax offset as long as s/he is meeting the conditions of the agreement. If a client has received three dunning notices, s/he is subject to both tax offset and monthly repayment.

The policies for monthly repayments are listed on the repayment agreements: a) Overpayments less than \$500 should be paid by at least \$50 monthly installments, b) Overpayments \$500 and above should be paid within a three-year period either by equal monthly installments, or by monthly installments - either of which should not be less than \$20 per month.

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24.01.00  
EBT Chapter Link

Click on this link below to go to a pdf version of the EBT chapter.  
To print the EBT chapter, you must open it and choose to print from  
within Adobe Acrobat. If you go to the PDF Version link from the FS  
Handbook homepage and print a pdf, only the text you are reading  
now will print.

<http://www.dwd.state.wi.us/desfshbk/handbook/Attachment/ch24ebt.pdf>

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25.01.00  
Processing Guidelines Chapter  
Link

Go to the Processing Guidelines pdf at  
<http://www.dwd.state.wi.us/desfshbk/handbook/Attachment/ch25ProcessingGuidelines.pdf>  
to view this chapter. It gives details on how to correctly process a  
case in CARES, by topic area.

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26.01.00  
Transitional Food Stamps  
Introduction

FS households whose W-2 or TT cash payment ends are eligible to receive five months of TFS benefits. To be eligible, a member of the FS group must:

- have participated in either a W-2T, full or part-time CSJ, CMC placement, or TT placement,
- have received at least one or more cash payments and,
- be part of an active FS case in the benefit determination month and the month the last W-2 or TT payment was issued.

The TFS benefit amount is calculated using income, expenses and household information from the food stamp budget for the month **prior to the last W-2 or TT payment**. This is called the "benefit determination month." The gross W-2 or TT amount in the benefit determination month will be deducted from the budgeted income for the TFS calculation. With the exception of dual participation, any changes in income, expenses, household size, etc. that occur **after** the benefit determination month will not affect the TFS benefit amount.

**Example 1:** Jo Ann is open for FS and was assigned to a CSJ placement in January. Her FS AG includes herself and her two children. Jo Ann started a fulltime job on April 21st. When she reports her new job, the worker ends her CSJ placement on April 20th and enters the new employment wage information of \$900.00 per month on AFWG. Jo Ann continues to receive regular FS benefits in May and June. She receives her final W-2 payment on June 1. Her TFS benefit period will begin July 1st and continue through November 30th. The TFS benefit amount is determined using the income, expenses and household size from the FS budget for May, minus the gross W-2 payment. The TFS benefit is frozen for the next five months. At the end of the five-month period the household must complete a recertification review to continue to receive a benefit.

If the household member returns to a W-2 or TT payment position while receiving TFS, the TFS amount will remain frozen until the end of the five-month period. There is no limit to the number of times a household is eligible for TFS benefits.

**Example 2:** Linda is eligible for TFS from February through June. She is injured in a fall in May and is unable to work. In May, she re-applies for W-2 and is placed in a W-2T. The TFS benefit period will continue through June. Because the five-month TFS benefit period ends in June, Linda completes a recertification review for regular FS benefits in June, and starts receiving them in July. Linda returns to her full time job in August. Her household will receive another five months of TFS benefits once her W-2 payment ends.

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- 26.01.01  
TFS Reporting Requirements
- The household has no reporting requirements for TFS through the five month TFS benefit period. Changes reported and acted upon for other programs or through DX matches will not change the benefit amount. Medicaid (MA), BadgerCare (BC), Child Care (CC) and W-2 reporting requirements remain the same. When a TFS case moves to another county, a review is not required for TFS. AGOR will hold the original review date for TFS.
- 26.01.02  
Sanctions and TFS
- If members in the FS group are sanctioned in the benefit determination month the individual participation status will be frozen for the five months. If the entire household is sanctioned off TANF and FS the household will not be eligible for TFS. If a TFS household member receives a child support, drug felon, FSET, or IPV sanction after the TFS benefit determination month or during the five month benefit period the sanction will not be applied and the original benefit amount will remain frozen. If a QC sanction is applied during the five month transitional period, the group remains eligible for TFS. When the household recertifies for regular FS at the end of the five-month period, the household's current circumstances will be assessed and the proper sanctions applied.
- 26.01.03  
FSET Exemption and TFS
- TFS group members are FSET exempt while receiving TFS. The TFS exemption code is TF. The exemption begins as soon as the worker processes AIWP after ending TT or W-2 or changing W-2 from a paid placement to a case management only placement. If CARES does not determine the exemption correctly, the worker should override the referral by entering TF on AIWP.
- 26.01.04  
Payment Accuracy and TFS
- Local agencies and the household will be held harmless for TFS inaccuracies that are due to prior errors in the food stamp benefit calculation. As long as the TFS is calculated by using the budget from the benefit determination month and excluding the W-2/TT payment, the TFS allotment amount will be considered correct.

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26.02.00  
TFS Benefit Amount Exception

**Dual Participation**

The only time a TFS allotment amount changes within the five month period is if a TFS food unit member moves out and becomes eligible to receive FS in another case. The TFS group's benefit amount will be reduced due to the change in household size. The maximum allotment amount will be adjusted to the allotment amount for the new household size. Income and expenses used in the original TFS benefit determination will remain the same even if the income or expenses belonged to the individual that left the household. This newly calculated benefit amount will remain the same for the remainder of the five-month benefit period. Should that same person move back into the original TFS household, the benefit amount will remain at the reduced amount for the rest of the five-month period.

The dual participation policy is explained to the FS customer in the initial TFS notice and an additional notice will be sent if the allotment is reduced.

**Example 1:** Sally and her two roommates share the same apartment and receive FS on the same case. Sally stopped receiving her W-2 payment in June because her only child graduated from high school and moved out. The FS food unit consisting of Sally, her son and her two roommates receive TFS for 5 months. The household size and the allotment did not change because Sally's son never applied for his own food stamps after he moved out of the household.

If Sally's son begins receiving FS in another case, Sally's FS benefit would be reduced automatically at Adverse Action.

26.03.00  
TFS Companion Cases

The entire food unit, whether or not they are included in the W-2 assistance group are eligible for TFS if a W-2 or TT cash payment ends.

**Example 1:** Simon, along with his two brothers, lives with their sister Dana and her two children. They are all part of Simon's food unit. Dana has been receiving a monthly W-2 payment but recently started a new job. Dana will receive her last cash payment July 1st. Dana's W-2 payments make Simon's entire FS food unit eligible for TFS. Simon's TFS benefit period will begin August 1st and includes himself, his two brothers, their sister Dana and her two children.

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A FS group that contains two W-2/TT groups who both receive a cash payment would be eligible for TFS if one W-2 or TT group stops receiving a W-2 or TT payment. If the other W-2 or TT group stops receiving a W-2 or TT payment during the five month benefit period, the TFS benefit amount remains frozen at the original amount. No additional months are added to the TFS five month time period.

If a TFS household moves into a household with individuals that are required to be included in the same food unit as the TFS household, the newly configured household must decide whether to:

Add the new members on to the TFS case. The TFS benefit amount is frozen and will not increase if new members are added.

- Reapply for FS with the new members and end the TFS benefit
- Add the TFS household members to an already open FS case, if one exists and close the TFS case.

**Example 2:** Rosa, a 20 year-old mother of two, received her second TFS allotment in June. Rosa called her worker to report a change in address and that she and her children are now living with her parents (who also have an open FS case). The worker explained that because Rosa is under 22, she must be included in the same group as her parents. She and her parents can decide whether to add the parents to the TFS case or if Rosa and her two children should join the parents' FS case. The worker ran a simulated case that showed the household's allotment would be greater if Rosa's parents were added to her TFS group. The parents' food stamp case is closed and the worker added the new household members to Rosa's TFS case.

26.04.00  
Applying for Regular FS when on  
TFS

#### **During the TFS Benefit Period**

TFS households may request a recertification for regular FS at anytime during the five-month TFS benefit period. The request to end TFS and apply for regular FS is processed as a recertification review. The question "Transitional FS Open, Do you want to re-apply for regular FS?" has been added to ACPA and will display when a household is eligible for TFS benefits. When a household requests to end their TFS benefits and apply for regular FS benefits, this question is answered with <Y> and the worker can determine a regular FS allotment amount. The recipient has the choice of which allotment they will receive. If the recipient chooses to receive regular FS benefits and end the TFS benefit, a face-to-face recertification review must be completed.

#### **When TFS Benefit Period Expires**

The TFS benefit period will end after five months. To continue receiving FS benefits the household must complete a recertification review before the end of the 5th month of the TFS benefit period.

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Abbreviations

AFDC: Aid to Families with Dependent Children  
 ABAWD: Able Bodied Adult Without Dependents.  
 AP: Absent Parent (also known as the NCP- Non-Custodial Parent)  
 CAF: Combined Application Form  
 CARES: Client Assistance for Reemployment and Economic Support  
 CBRF: Community Based Residential Facility  
 CDS: Case Determination Sheet  
 CFR: Code of Federal Regulations  
 CP: Custodial Parent  
 CS: Child Support  
 CSA: Child Support Agency  
 CSJ: Community Service Job  
 C-Supp: Caretaker Supplement for Children  
 DES: Division of Economic Support  
 DHFS : Department of Health & Family Services  
 DVR: Division of Vocational Rehabilitation  
 EBD: Elderly, Blind, or Disabled  
 EITC: Earned Income Tax Credit  
 EP: Employment Plan  
  
 ES: Economic Support (Programs)  
 ESP: Employment Search Program  
 ESS: Economic Support Specialist  
 FMHA: Farmer's Home Administration  
 FNS: Food and Nutrition Service  
 FS: Food Stamp(s)  
 FSET: Food Stamp Employment and Training  
 GR: General Relief  
 HS: High School  
 HSED: High School Equivalency Diploma  
 HUD: US Department of Housing & Urban Development  
 IMM: Income Maintenance Manual  
 INS: Immigration & Naturalization Service  
 IPV: Intentional Program Violation  
 IW: Individual Worksheet  
 JAL: Job Access Loan  
 JS: Job Service

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JTPA: Job Training Partnership Act  
 KIDS: Kids Information Data System  
 LIHEAP: Low Income Home Energy Assistance Program  
 LRR: Legally Responsible Relative  
 MA: Medical Assistance  
 MAH: Medical Assistance Handbook  
 MC: Maternity Care  
 NCP: Non-Custodial Parent  
 NLRR: Nonlegally Responsible Relative  
 NMCP: Nonmarital Coparent  
 OASDI: Old Age, Survivor and Disability Insurance  
 OBD: Old, Blind, or Disabled (see also EBD - Elderly, Blind, or Disabled)  
 OJT: On-the-Job Training  
 OPM: Other Programs Manual  
 P&P: Purchase and Prepare  
 PL: Public Law  
 PWE: Primary Wage Earner  
 QA: Quality Assurance  
 QC: Quality Control  
 RFA: Request For Assistance  
 RNIP: Relief for Needy Indian Persons  
 SFAR: Student Financial Aids Report

SEIRF: Self-employment Income Report Form  
 SUA: Standard Utility Allowance  
 SSA: Social Security Administration  
 SSI: Supplemental Security Income  
 SSN: Social Security Number  
 SSP: Supportive Services Planner  
 TANF: Temporary Assistance for Needy Families  
 TPL: Third Party Liability  
 UC: Unemployment Compensation  
 UP: Unemployed Parent  
 US: United States  
 USDA: United States Department of Agriculture  
 UT: Utility  
 VISTA: Volunteers In Service To America  
 WIA: Workforce Investment Act (replaced JTPA)  
 WIC: Women, Infant's, and Children Supplemental Food Program  
 W-2: Wisconsin Works  
 W-2T: W-2 Transition employment position